

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL		5. MINERAL LEASE NO: Fee	6. SURFACE: Fee
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>		8. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: Cabot Oil and Gas		9. WELL NAME and NUMBER: Mckenna 2-44	
3. ADDRESS OF OPERATOR: 600 17th st. Suite 900N <small>CITY</small> Denver <small>STATE</small> CO <small>ZIP</small> 80202		10. FIELD AND POOL, OR WILDCAT: Paradox W. Idalia	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 209' FSL & 515' FEL AT PROPOSED PRODUCING ZONE: Same as above.		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 2 29S 24E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 1.2 miles south of La Sal, UT		12. COUNTY: San Juan	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 209'	16. NUMBER OF ACRES IN LEASE:	17. NUMBER OF ACRES ASSIGNED TO THIS WELL:	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) NA	19. PROPOSED DEPTH: 10,800	20. BOND DESCRIPTION: 5809579	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 6,867 GR	22. APPROXIMATE DATE WORK WILL START: 1/25/2006	23. ESTIMATED DURATION: 30 Days	

24. PROPOSED CASING AND CEMENTING PROGRAM							
SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
12 1/4	9 5/8	J-55	36#	2,300	Premium Lite	360 sx	2.28cf/sk 8.4 PPG
					Type III	450 sx	1.43cf/sk 8.4 PPG
8 3/4	7"	HCP-110	26#	10,800	Premium Lite High Stg	970 sx	2.02cf/sk 9.0 PPG

25. ATTACHMENTS	
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:	
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN <input checked="" type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

CONFIDENTIAL

NAME (PLEASE PRINT) <u>William A Ryan</u>	TITLE <u>Agent</u>
SIGNATURE <u><i>William A Ryan</i></u>	DATE <u>11/21/2005</u>

(This space for State use only)

API NUMBER ASSIGNED: 43-037-31540

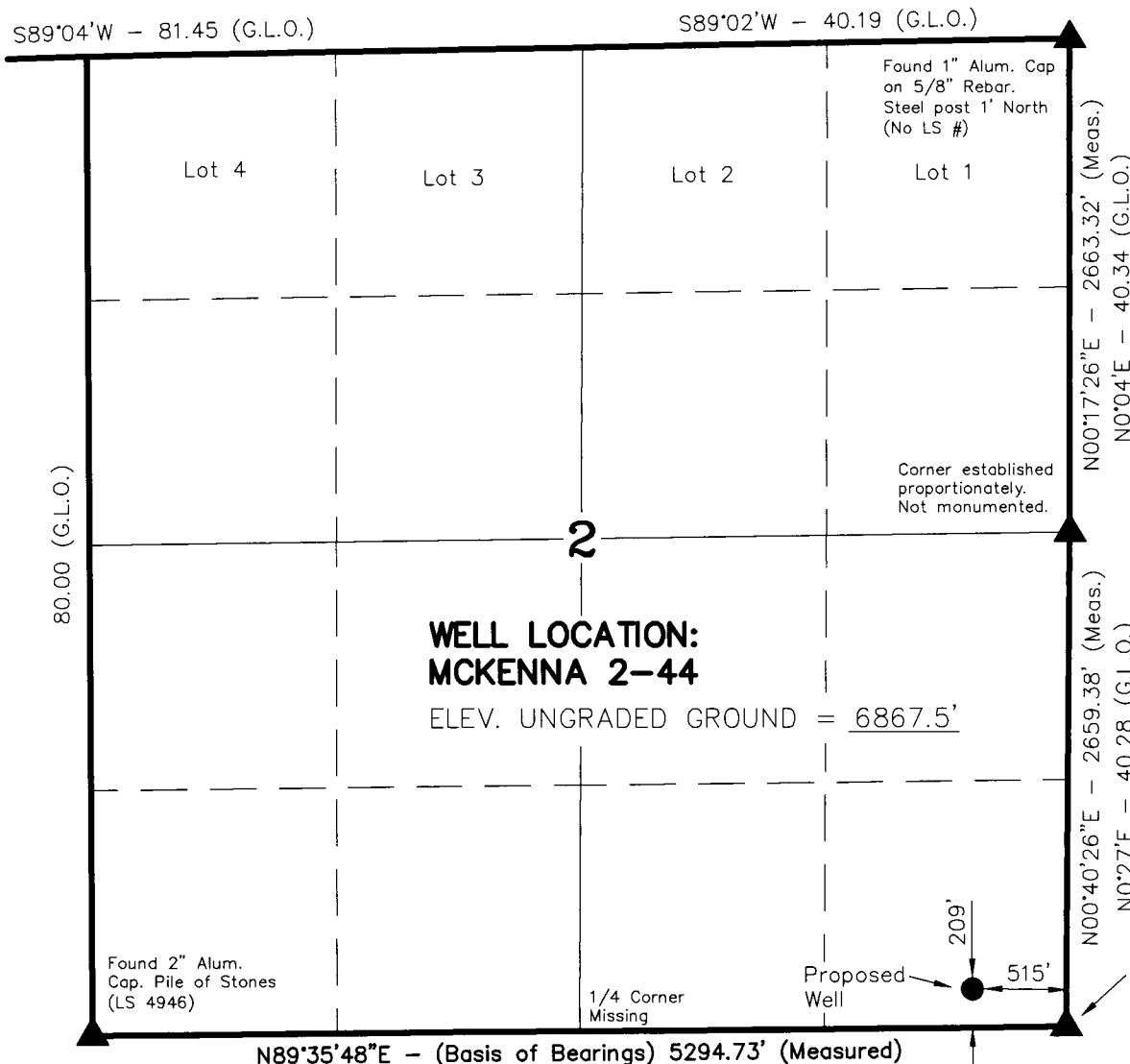
Approved by the
 Utah Division of
 Oil, Gas and Mining
 Date: 05-18-06
[Signature]

DEC 07 2005

(11/2001)

T29S, R24E, S.L.B.&M.

CABOT OIL AND GAS

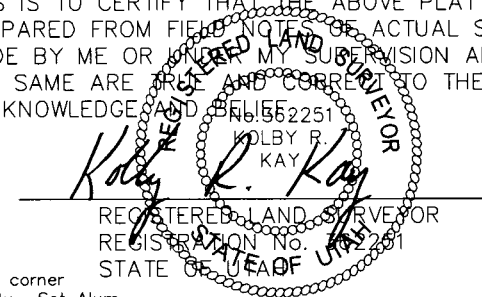


WELL LOCATION, MCKENNA 2-44,
LOCATED AS SHOWN IN THE SE 1/4 SE
1/4 OF SECTION 2, T29S, R24E,
S.L.B.&M. SAN JUAN COUNTY, UTAH.

NOTES:

1. Well footages are measured at right angles to the Section Lines.
2. Bearings are based on Global Positioning Satellite observations.
3. Basis of Elevation is Bench Mark G127 1934 Located in the West 1/2 of Section 3, T29S, R24E, S.L.B.&M. The Elevation of this Bench Mark is shown on the La Sal West, Utah 7.5 Min. Quadrangle as Being 6844'.

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS
PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS
MADE BY ME OR UNDER MY SUPERVISION AND THAT
THE SAME ARE TRUE AND CORRECT TO THE BEST OF
MY KNOWLEDGE AND BELIEF.



Reestablished corner
proportionately. Set Alum.
Cap on 5/8" rebar.
Erected pile of Stones
around cap. (LS 362251)

TIMBERLINE LAND SURVEYING, INC.

38 WEST 100 NORTH. - VERNAL, UTAH 84078
(435) 789-1365

DATE SURVEYED: 10-24-05	SURVEYED BY: K.R.K.	SHEET 2 OF 10
DATE DRAWN: 11-04-05	DRAWN BY: J.R.S.	
SCALE: 1" = 1000'	Date Last Revised:	

UTAH STATE PLANE COORDINATES,
1927, SOUTH ZONE
X = 2,648,772.301
Y = 603,818.788

MCKENNA 2-44
(Surface Location) NAD 83
LATITUDE = 38° 18' 12.27"
LONGITUDE = 109° 14' 23.05"

▲ = SECTION CORNERS LOCATED 80.10 (G.L.O.)

SURFACE DAMAGE AND RIGHT-OF-WAY AGREEMENT

THIS AGREEMENT is made by and between Charles H. Redd, Jr., herein called "Owner" and Cabot Oil & Gas Corporation, herein called "Cabot"

WHEREAS, Owner represents that is the surface owner and in possession of an interest in part or all of the surface estate of the following described lands in San Juan County, UT, said land herein called "Lands," to

Township 29 South, Range 24 East
Section 2:

WHEREAS, Cabot has acquired certain leasehold interests in the oil and gas mineral estate in the Lands and propose to conduct drilling and subsequent production operations in the NW/SW part of the Lands as marked in exhibit "a".

WHEREAS, Owner and Cabot desire to minimize any surface damage to the Lands as marked in exhibit "a" and to reach an agreement regarding such surface damage.

NOW, THEREFORE, in consideration of TEN DOLLARS (\$10.00) and other valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Cabot shall pay Owner a sum of money, pursuant to a letter agreement dated May 2, 2006, as full settlement and satisfaction of all damages growing out of, incident to, or in connection with the usual and customary exploration, drilling, completion, reworking, equipping and production operations, in regard to the following:

- a. the well-site(s) located on said Lands;
- b. any lands used for road purpose, production facilities, pipelines, flowlines or other necessary facilities in connection with the well-site(s); and
- c. a right-of-way across Owner's Lands for ingress and egress to the well-site(s) and associated facilities for the life of the well as marked on exhibit "b".

2. If, by reasons directly resulting from the operations of Cabot, there is damage to real or personal property upon the Lands which is not associated with usual and customary operations, such as (but not limited to) damage to livestock, structures, buildings, fences, culverts, cement ditches, irrigation systems, and natural water ways, such damage will be repaired or replaced by Cabot, or Cabot will pay reasonable compensation to Owner for such additional damage.


3. In conducting operations on the Lands, Cabot shall:

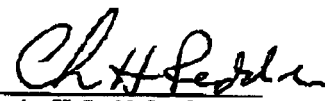
- a. Limit the size of such well-site(s) to that size reasonably necessary for conducting its drilling, completion, re-completion or work-over operations. See exhibit "c"
- b. Separate the top soil at the time of excavation of pits so that the soil and subsurface soil be placed back in proper order as nearly as possible. See exhibit "c"
- c. Reclaim the well-site(s) as nearly as practicable to its original condition and if the location is in pasture, reseed the location with native grasses. Weather permitting, reclamation operations shall be completed as soon as is feasible following drilling and subsequent related operations, unless Cabot and Owner mutually agree to postponement because of crop or other considerations.
- d. Use its best efforts to keep the well and battery sites free of weeds and debris.

MAY 17 2006

4. Owner shall receive additional compensation for pipelines, other than flowlines, pursuant to a Letter Agreement dated May 2, 2006, at Cabot's customary compensation for rights of way.
5. When the word "Cabot" is used in the Agreement, it shall also mean the successors and assigns of Cabot Oil & Gas Corporation, including but not limited to its employees and officers, agents, affiliates, contractors, subcontractors and/or purchasers.
6. Owner shall receive additional compensation for pipelines and roads, other than the one road and pipeline into the well site McKenna 2-44, at Cabot's customary compensation for right-of-way. See exhibit "b".
7. This agreement shall be binding upon and inure to the benefit of the heirs, successors and assigns of the parties.

Dated this 2nd day of May 2006.

By: 

By: 
Charles H. Redd, Jr., Owner
435-686-2221

MAY 17 2006

MAY 17 2006

T29S, R24E, S.L.B.&M.

Exhibit "A"

CABOT OIL AND GAS

MAY-17-2006 11:56AM FROM CABOT OIL & GAS

303-228-4063

T-904 P. 004

F-857

S89°04'W - 81.45 (G.L.O.)

S89°02'W - 40.19 (G.L.O.)

Lot 4

Lot 3

Lot 2

Lot 1

Found 1" Alumi. Cop
on 5/8" Rebar.
Steel post 1' North
(No. 15 #)Corner established
proportionately.
Not measured.

2

WELL LOCATION:
MCKENNA 2-44ELEV. UNGRADED GROUND = 6867.5'Found 2" Alumi.
Cop. Pile of Stones
(LS 4946)1/4 Corner
MissingProposed
Well

209'

515'

Reestablished corner
proportionately. Set Alumi.
Cap on 3/8" rebar.
Erected pile of Stones
around cop. (LS 382751)N00°17'26"E - 2663.32' (Meas.)
N0°04'E - 40.34 (G.L.O.)N00°40'26"E - 2659.38' (Meas.)
N0°27'E - 40.28 (G.L.O.)

N89°35'48"E - (Basis of Bearings) 5294.73' (Measured)

80.10 (G.L.O.)

▲ = SECTION CORNERS LOCATED

UTAH STATE PLANE COORDINATES,
1927, SOUTH ZONE

X = 2,648,772.301

Y = 603,818.788

MCKENNA 2-44
(Surface Location) NAD 83
LATITUDE = 38° 18' 12.27"
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MADE BY ME OR UNDER MY SUPERVISION AND THAT
THE SAME ARE TRUE AND CORRECT TO THE BEST OF
MY KNOWLEDGE AND BELIEF.REGISTERED LAND SURVEYOR
REGISTRATION No. 155251
STATE OF UTAH
KAY
KAYTIMBERLINE LAND SURVEYING, INC.
38 WEST 100 NORTH. - VERNAL, UTAH 84078
(435) 789-1365

DATE SURVEYED: 10-24-05	SURVEYED BY: K.R.K.
DATE DRAWN: 11-04-05	DRAWN BY: J.R.S.
SCALE: 1" = 1000'	Date Last Revised:

A

MAY 17 2006

0.47 ACRES/Road

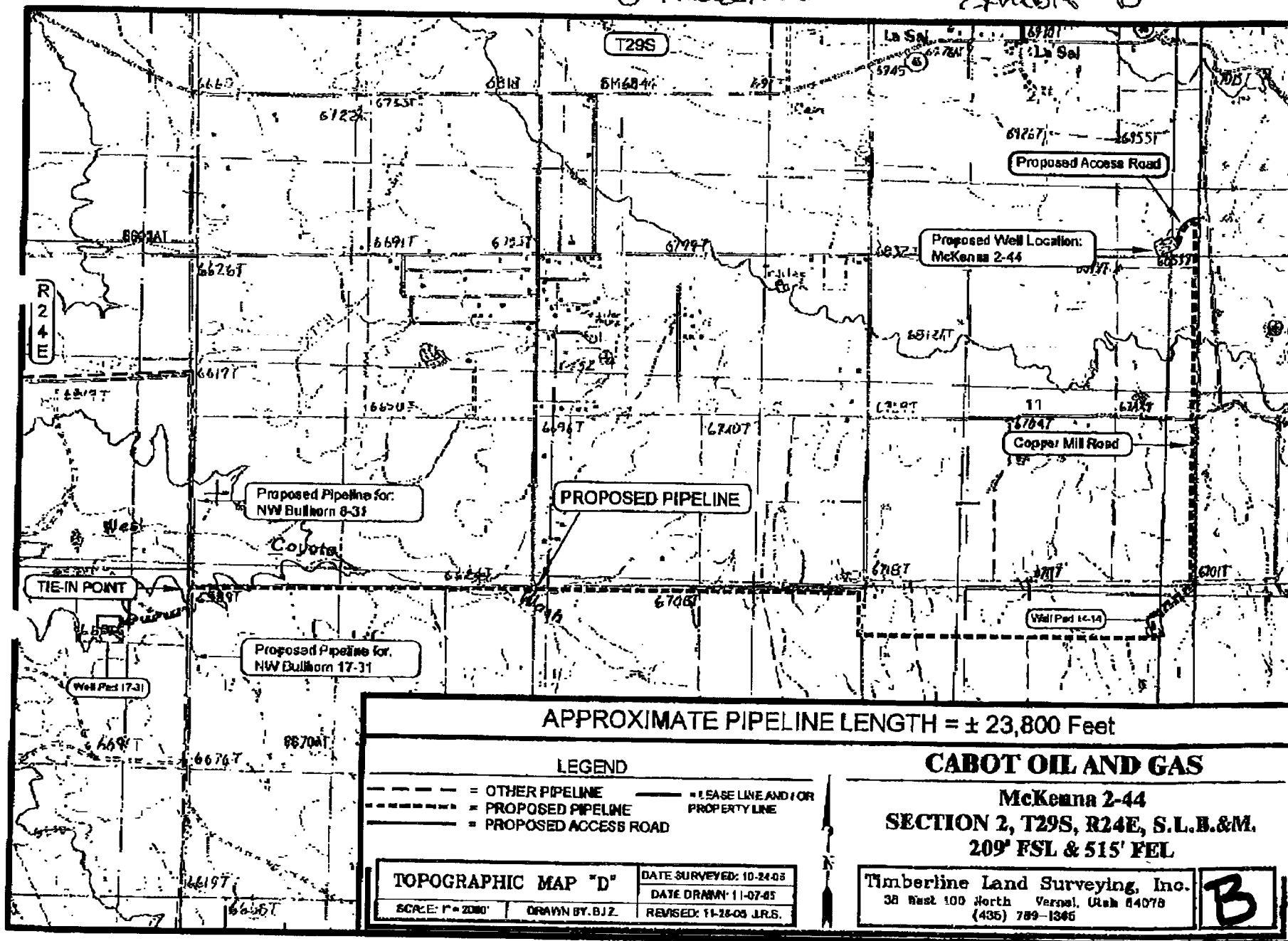
Exhibit "B"

T-984 P. 003/004 F-858

309-226-4063

FROM-CABOT OIL & GAS

MAY-11-2006 12:15PM

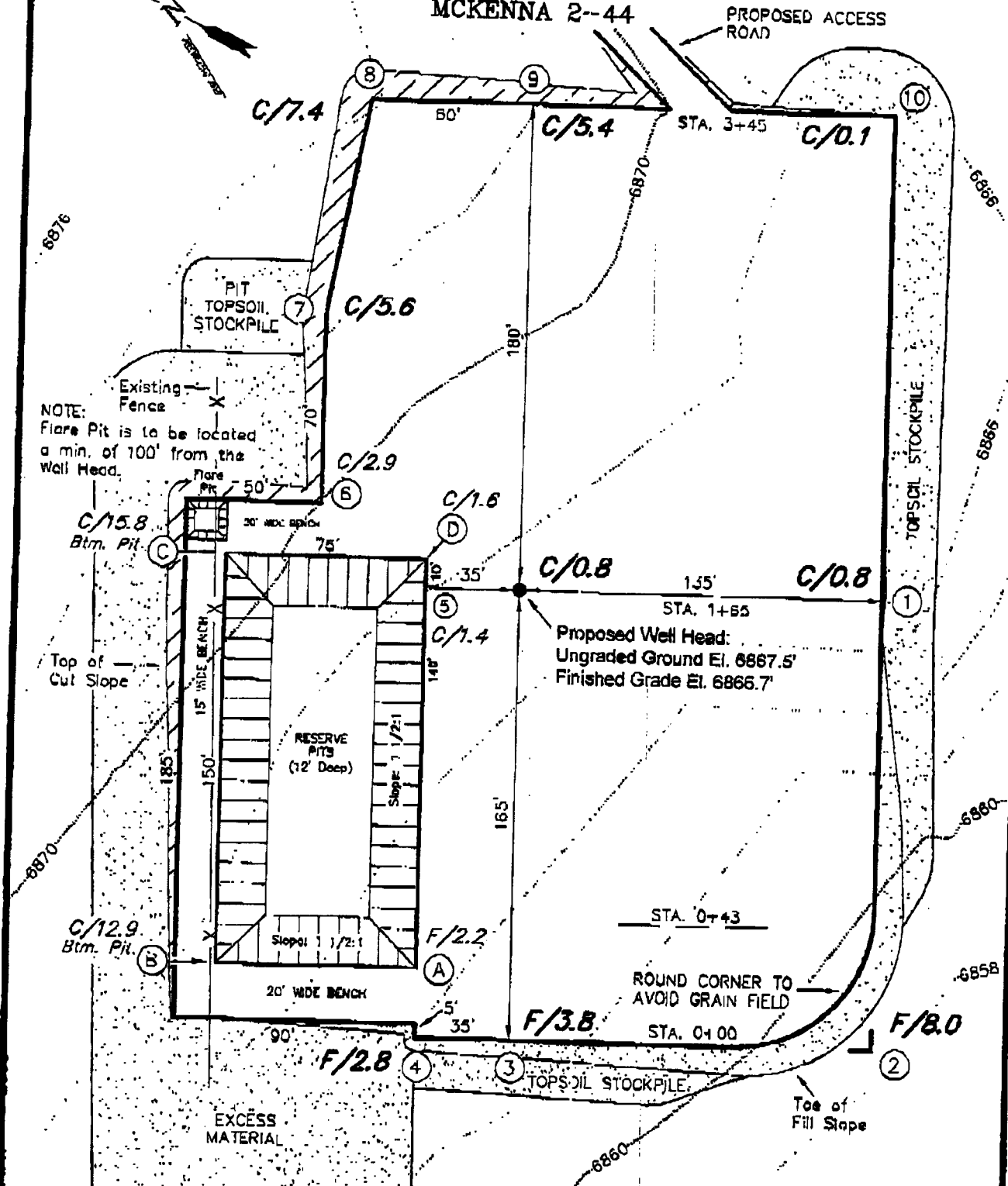


CABOT OIL AND GAS

CUT SHEET
MCKENNA 2--44PROPOSED ACCESS
ROAD

NOTE:

Flare Pit is to be located
a min. of 100' from the
Well Head.



MAY 17 2006

Section 2, T29S, R24E, S.L.B.&M.		Qtr/Qtr Location: SE SE		Footage Location: 209' FSI & 515' FEL	
Date Surveyed: 11-4-05	Date Drawn: 10-24-05	Date Last Revision:		Timberline Land Surveying, Inc. (435) 789-1365	
Surveyed By: K.R.K.	Drawn By: J.R.S.	Scale: 1" = 50'		38 WEST 100 NORTH VERNAL, UTAH 84072	

C

December 15, 2005

William A Ryan, Agent
290 S 800 E
Vernal, UT 84078
435-789-0968

Utah State Division of Oil, Gas and Mining
1549 West North Temple, Suite 1210
Salt Lake City, UT 84114

RE: Cabot Oil and Gas
McKenna 2-44
Section 2, Township 29S, Range 24 East

Dear Sir or Madam,

Cabot Oil and Gas respectfully requests an exception location for the subject well. The well has been moved from the center of the forty-acre spacing.

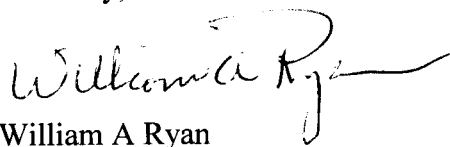
The well is located at 209' FSL & 515' FEL, which has changed from the proposed location at 660' FSL & 660' FEL.

The location was moved due to pivots and fences on private land and drainage considerations. Please see the attached map.

Cabot Oil and Gas is the only lease owner within a 460' radius.

If you have additional questions, please feel free to call.

Sincerely,


William A Ryan

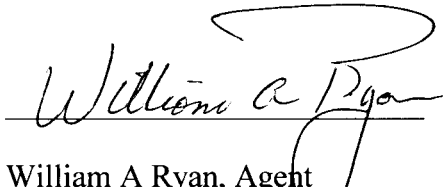
RECEIVED
DEC 20 2005
DIV. OF OIL, GAS & MINING

AFFIDAVIT OF SURFACE OWNER USE AGREEMENT

Cabot Oil and Gas has in place, agreements with the surface owners of the following leases. Cabot Oil and Gas is the operator and makes this certification that the agreements provide for management of the Fee surface lands under development.

Section 2, Township 29 South, Range 24 East

Charles Redd
PO BOX 278
La Sal, UT 84530
435-686-2221



William A Ryan, Agent
Rocky Mountain Consulting
290 S 800 E
Vernal, UT 84078
435-789-0968

Ten Point Plan

CABOT OIL & GAS CORPORATION

Mckenna 2-44

Surface Location SE ¼ SE ¼, Section 2, T. 29S., R. 24E.

1. Surface Formation

Alluvium

2. Estimated Formation Tops and Datum:

<u>Formation</u>	<u>Depth</u>	<u>Datum</u>
Alluvium	Surface	+6,867' G.L.
Dakota	10	+6,857'
Morrison	73	+6,794'
Entrada	303	+6,564'
Navajo	473	+6,394'
Kayenta	1,663	+5,204'
Wingate	1,900	+4,967'
Chinle	2,298	+4,569'
Cutler	3,173	+3,694'
Hktl 5	8,883	-2,016'
Hktl 4	9,253	-2,386'
Hktl 3	9,495	-2,628'
Hktl 2	9,793	-2,926'
HKTL 2 shale	9,871	-3,004'
HKTL 1	9,937	-3,070'
HKTL 1 shale	10,190	-3,323'
U Ismay	10,230	-3,363'
Hovenweep shale	10,368	-3,501'
L Ismay	10,430	-3,563'
Gothic shale	10,496	-3,629'
Desert Creek	10,600	-3,733'
Salt	10,611	-3,744'
TD	10,800	-3,933'

3. Producing Formation Depth:

Formation objective includes the Honaker Trail and its sub-members.

Off Set Well information:

No off set wells within one mile.

4. Proposed Casing:

<u>Hole Size</u>	<u>Casing Size</u>	<u>Weight/FT</u>	<u>Grade</u>	<u>Coupling & Tread</u>	<u>Casing Depth</u>	<u>New/Used</u>
12 1/4	9 5/8	36#	J-55	LT&C	3,100'	NEW
8 3/4	7"	17#	P-110	LT&C	T.D.	NEW

Cement Program:

The Surface Casing will be cemented to the Surface as follows:

	<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amounts</u>	<u>Cement Yield</u>	<u>Cement Weight</u>
Lead:	9 5/8	Premium Lite	440 sx. +/-	2.28cf/sx	36# ppf
Tail:	9 5/8	Type III	450sx. +/-	1.43 cf/sx	# ppf

Production casing will be cemented to 2,500' or higher as follows:

<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amounts</u>	<u>Cement Yield</u>	<u>Cement Weight</u>
7"	Premium Lite High Strength	825 sks +/-	2.02 cf/sx	26# ppf

5. BOP and Pressure Containment Data:

The anticipated bottom hole pressure will be less than 5000 psi.

A 5000-psi WP BOP system as described in the BOP and Pressure Containment Data (attached) will be installed and maintained from the 9 5/8" surface casing. The BOP system including the casing will be pressure tested to minimum standards set forth in "On Shore Order #2". The BOP will be mechanically checked daily during the drilling operation.

6. Mud Program:

<u>Interval</u>	<u>Mud weight lbs./gal.</u>	<u>Viscosity Sec./OT.</u>	<u>Fluid Loss Ml/30 Mins.</u>	<u>Mud Type</u>
0-2,600'	8.4 - 8.8	28 - 32	NC	Fresh Water/Lime Sweeps
2,600'-7,500'	8.8 - 9.2	28 - 34	15 -18	LSND/KCL mud
7,500'-T.D.	9.2 - 9.5	34 - 40	6 - 8	LSND/KCL mud

7. Auxiliary Equipment

Upper Kelly cock, full opening stabbing valve, 2 ½" choke manifold and pit level indicator.

8. Testing, Coring, Sampling and Logging:

- a) Test: None are anticipated.
- b) Coring: None are anticipated.
- c) Sampling: Every 10' from 2000' to T.D.
- d) Logging:

Type	Interval
Platform Express w/BHC sonic	3,100' - TD

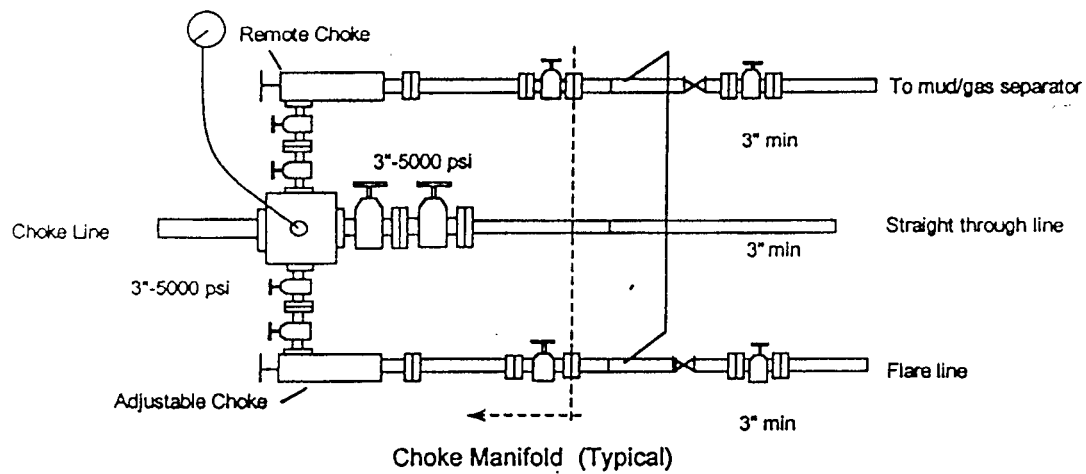
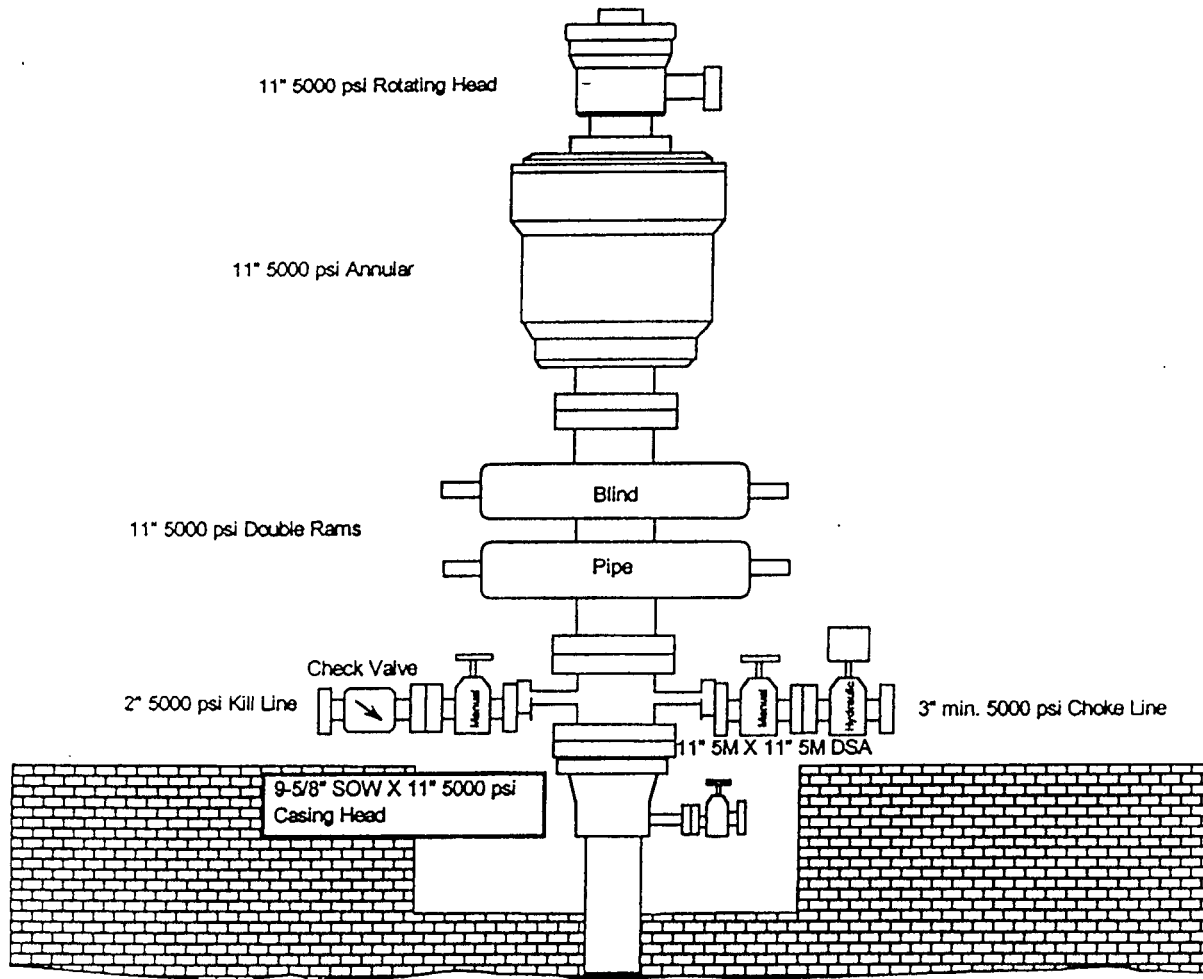
9. Abnormalities (including sour gas):

No abnormal pressures, temperatures or other hazards are anticipated. Oil and gas shows are anticipated in the Honaker Trail Formation. Other wells drilled in the area have not encountered over pressured zones or H₂S.

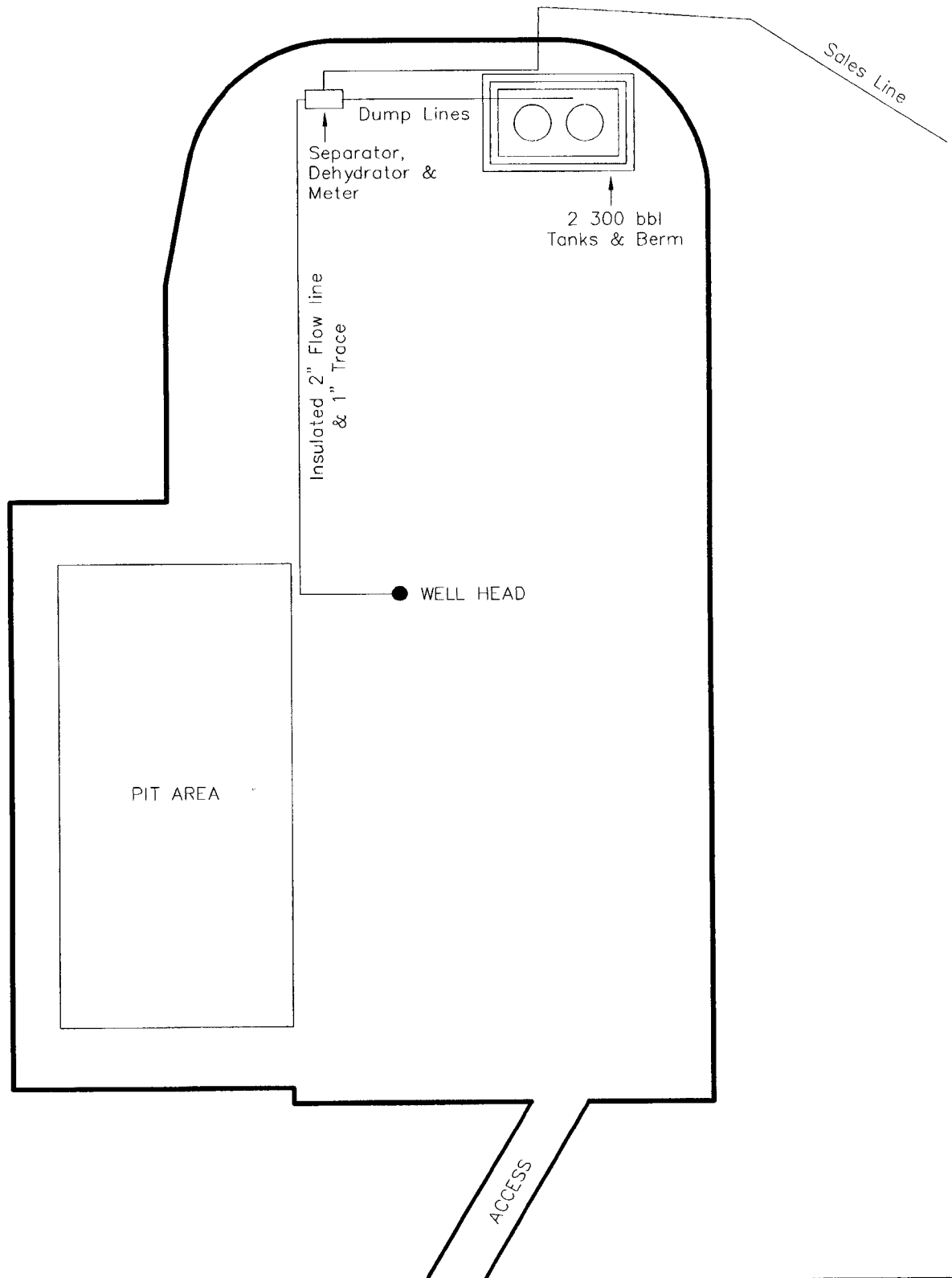
10. Drilling Schedule:

The anticipated starting date is 01/25/06. Duration of operations is expected to be 30 days.

BOPE Diagram 5000 psi WP



TYPICAL PRODUCTION LAYOUT



CABOT OIL AND GAS
13 POINT SURFACE USE PLAN
FOR WELL
MCKENNA 2-44
LOCATED IN SE ¼ SE ¼
SECTION 2, T.29S, R24E, S.L.B.&M.
SAN JUAN COUNTY, UTAH
LEASE NUMBER: FEE
SURFACE OWNERSHIP: FEE

1. Existing Roads:

To reach Cabot Oil & Gas Co. well McKenna 2-44 in Section 2, T29S, R 24E, starting in La Sal, Utah:

Proceed in an easterly direction from La Sal, UT along State Highway 46 approximately 0.4 miles to the junction of the Copper Mill Road (County Road 1531). Exit right and proceed in an easterly, then southerly direction along the Copper Mill Road approximately 0.7 miles to the proposed access road. Follow road flags in a southwesterly direction approximately 680' to the proposed location.

Total distance from La Sal, Utah to the proposed well location is approximately 1.2 miles.

All existing roads to the proposed location are State of Utah, BLM maintained or County Class D roads. Please see the attached map for additional details.

2. Planned access road

The proposed access road will be approximately 680' +/- of new construction on lease. The road will be graded once per year minimum and maintained.

A) Approximate length	680 ft
B) Right of Way width	30 ft
C) Running surface	18 ft
D) Surface material	Native soil
E) Maximum grade	5%
F) Fence crossing	None
G) Culvert	None

H) Turnouts	None
I) Major cuts and fills	None
J) Road Flagged	Yes
K) Access road surface ownership	Fee: Charles Redd
L) All new construction on lease	Yes
M) Pipe line crossing	None

Please see the attached location plat for additional details.

An off lease right-of-way will not be required.

All surface disturbances for the road and location will be within the lease boundary.

3. Location of existing wells

The following wells are located within a one-mile radius of the location site.

A) Producing well	None
B) Water well	None
C) Abandoned well	None
D) Temp. abandoned well	None
E) Disposal well	None
F) Drilling /Permitted well	None
G) Shut in wells	None
H) Injection well	None
I) Monitoring or observation well	None

Please see the attached map for additional details.

4. Location of tank batteries, production facilities and production gathering service lines.

All production facilities are to be contained within the proposed location site. Please see the attached

plat plan for a typical gas well separator installation and well site piping.

All permanent (on site for more than six months or longer) structures constructed or installed will be painted **as per request of the Private Land Owner**. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

All tanks will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank in the battery. The integrity of the dike will be maintained.

All off lease storage, off lease measurement, commingling on lease or off lease, of production, will have prior written approval from the authorized officer.

If the well is capable of economic production a surface gas line will be required.

Approximately 23,800' +/- of 3" steel surface gas gathering line would be constructed on Private Lands. The line will tie into a proposed pipeline in Section 17, T29S, R24E. The pipeline would be strung and boomed to the south and east of the location. The pipeline may be buried as determined by the Authorized Officer at the onsite.

An off lease right-of-way will not be required. Surface agreements are in place with the Private Land owners for the off lease portion of the pipeline.

Please see the attached location diagrams for pipeline location.

The gas meter run will be located within 500' of the wellhead. The gas line will be buried or anchored down from the wellhead to the meter. Meter runs will be housed and/or fenced.

The gas meter will be calibrated and the tank strapped in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The authorized officer will be provided with a date and time for the initial meter calibration and all future meter-proving schedules. A copy of the meter calibration report will be submitted to the State of Utah, Division of Oil, Gas, and Mining. All measurement facilities will conform to API (American Petroleum Institute) and AGA (American Gas Association) standards for gas and liquid hydrocarbon measurement.

5. Location and type of water supply

Water for drilling and cementing will come from a private source in Section 8, T29S, R24E Permit # T-30139.

6. Source of construction materials

All construction material for this location site and access road shall be borrow material accumulated during construction of the location site and

access road. Additional road gravel or pit lining material will be obtained from private resources.

7. Methods for handling waste disposal

A) Pit construction and liners:

The reserve pit will be approximately **12 ft.** deep and most of the depth shall be below the surface of the existing ground. Please see the attached plat for details.

The reserve pit will be lined.

The reserve pit will be used to store water for drilling. A semi-closed system will be used to drill the well. All fresh water for drilling will come from a frac tank placed on location and from the rig tank. The pit will be used to hold non-flammable materials such as cuttings, salt, drilling fluids, chemicals, produced fluids, etc.

B) Produced fluids:

Produced water will be confined to the reserve pit, or if deemed necessary, a storage tank for a period not to exceed 90 days after initial production. During the 90-day period an application for approval for permanent disposal method and location will be submitted to the authorized officer. **Evaporation may be used instead of trucking to facilitate closing and reclamation of the reserve pit.**

A pumping system would be used for evaporation.

C) Garbage:

A trash cage fabricated from expanded metal will be used to hold trash on location and will be removed to an authorized landfill location.

D) Sewage:

A portable chemical toilet will be supplied for human waste.

E) Site clean-up:

After the rig is moved off the location the well site area will be cleaned and all refuse removed.

8. Ancillary facilities

There are no ancillary facilities planned at this time and none are foreseen for the future.

9. Well-site layout

Location dimensions are as follows:

A) Pad length	345 ft.
B) Pad width	245 ft.
C) Pit depth	12 ft.
D) Pit length	150 ft.
E) Pit width	75 ft.
F) Max cut	15.8 ft.
G) Max fill	8.0 ft.
H) Total cut yds.	6,740 cu yds

- I) Pit location Northwest end**
- J) Top soil location South & West ends**
- K) Access road location East end**
- L) Flare Pit corner C**

Please see the attached location diagram for additional details.

All pits will be fenced according to the following minimum standards:

- A) Thirty nine inch net wire shall be used with at least one strand of wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- B) The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C) Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- D) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 ft.
- E) All wire shall be stretched by using a stretching device before it is attached to the corner posts.

10. Plans for restoration of the surface

Prior to construction of the location, the top 6 inches of soil material will be stripped off the location and the pit area. The topsoil removed and piled will amount to approximately **1,500** cubic yards of material. Topsoil will be stockpiled in one distinct pile. Placement of the topsoil is noted on the attached location plat. The topsoil pile from the location will be seeded as soon as the soil is stock piled with the seed mix listed. When all drilling and completion activities have been completed and the pit back-filled the topsoil from the pit area will be spread on the pit area. The pit area will be seeded when the soil has been spread. The unused portion of the location (the area outside the dead men) will be re-contoured.

The dirt contractor will be provided with an approved copy of the surface use plan prior to construction activities.

Changes to the drainage during the construction activities shall be restored to its original line of flow or as near as possible when the pit is back-filled.

All disturbed areas will be re-contoured to the approximate natural contours. Prior to back filling the pit the fences around the reserve pit will be removed.

The reserve pit will be reclaimed within 90 days of well completion. If the reserve pit has not dried sufficiently to allow back filling, an extension on the time requirement

for back filling the pit will be requested. Once reclamation activities have begun, they shall be completed within 30 days.

After the reserve pit has been reclaimed, no depressions in the soil covering the reserve pit will be allowed. The objective is to keep seasonal rainfall and run off from seeping into the soil used to cover the reserve pit. Diversion ditches and water bars will be used to divert the run off as needed.

When restoration activities have been completed, the location site and new access road cuts and shoulders shall be reseeded. Prior to reseeding, all disturbed areas will be scarified and left with a rough surface.

A) Seeding dates:

Seed will be spread when topsoil is stock piled and when reclamation work is performed.

The seed mix and quantity list will be used whether the seed is broadcast or drilled.

B) Seed Mix

To be determined by the Authorized Officer.

11. Surface ownership:

Access road	Fee
Location	Fee
Pipeline	Fee

12. Other information:

A) Vegetation

The vegetation coverage is slight. The majority of the existing vegetation consists of non-native species. Rabbit Brush, Bitter Brush, and Indian Rice grass, Crested Wheat Grass and Sagebrush are also found on the location.

B) Dwellings:

There are no dwelling or other facilities within a one-mile radius of the location.

C) Archeology:

The location has not been surveyed.

D) Water:

The nearest water is the West Coyote Wash, located approximately two miles to the South.

E) Chemicals:

No pesticides, herbicides or other possible hazardous chemicals will be used without prior application.

F) Notification:

- a) Location Construction
At least forty eight (48) hours prior to construction of location and access roads.

- b) Location completion:
Prior to moving on the drilling rig.
- c) Spud notice:
At least twenty-four (24) hours prior to spudding the well.
- d) Casing string and cementing:
At least twenty-four (24) hours prior to running casing and cementing all casing strings.
- e) BOP and related equipment tests:
At least twenty-four (24) hours prior to initial pressure tests.
- f) First production notice:
Within five (5) business days after the new well begins, or production resumes after well has been off production for more than 90 days.

Office 435-789-0968
Fax 435-789-0970
Cellular 435-828-0968

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, onshore oil and gas orders, and any applicable notices to lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

This drilling permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

G) Flare pit:

The flare pit will be located in **corner C** of the reserve pit outside the pit fences and 100 feet from the bore hole on the east side of the location. All fluids will be removed from the pit within 48 hours of occurrence.

B) Certification:


I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill-site and access route that I am familiar with the conditions which presently exist, that the statements made in this plan are, to the best of my knowledge and belief, true and correct, and that the work associated with the operation proposed herein will be performed by Cabot Oil and Gas and its contractors and subcontractors in conformity with this plan and terms and conditions with this plan and the terms and conditions under which it is approved.

13. Lessees or Operator's representative and certification

A) Representative

William A. Ryan
Rocky Mountain Consulting
290 S 800 E
Vernal, UT 84078

Date 12.15.05


William A. Ryan, Agent
Rocky Mountain Consulting

Onsite Dates:

Statement of use of Hazardous Materials

No chemical(s) from the EPA's consolidated list of Chemicals subject to Reporting under Title III of the Superfund Amendments and Reauthorization, Act (SARA) of 1986 will be used, produced, transported, stored, disposed, or associated with the proposed action. No extremely hazardous substances, as defined in 40 cfr 355, will be used, produced, stored, transported, disposed, or associated with the proposed action.

If you require additional information please contact:

William A Ryan
Agent for Cabot Oil and Gas
Rocky Mountain Consulting
290 S 800 E
Vernal, UT 84078

435-789-0968 Office
435-828-0968 Cell
435-789-0970 Fax

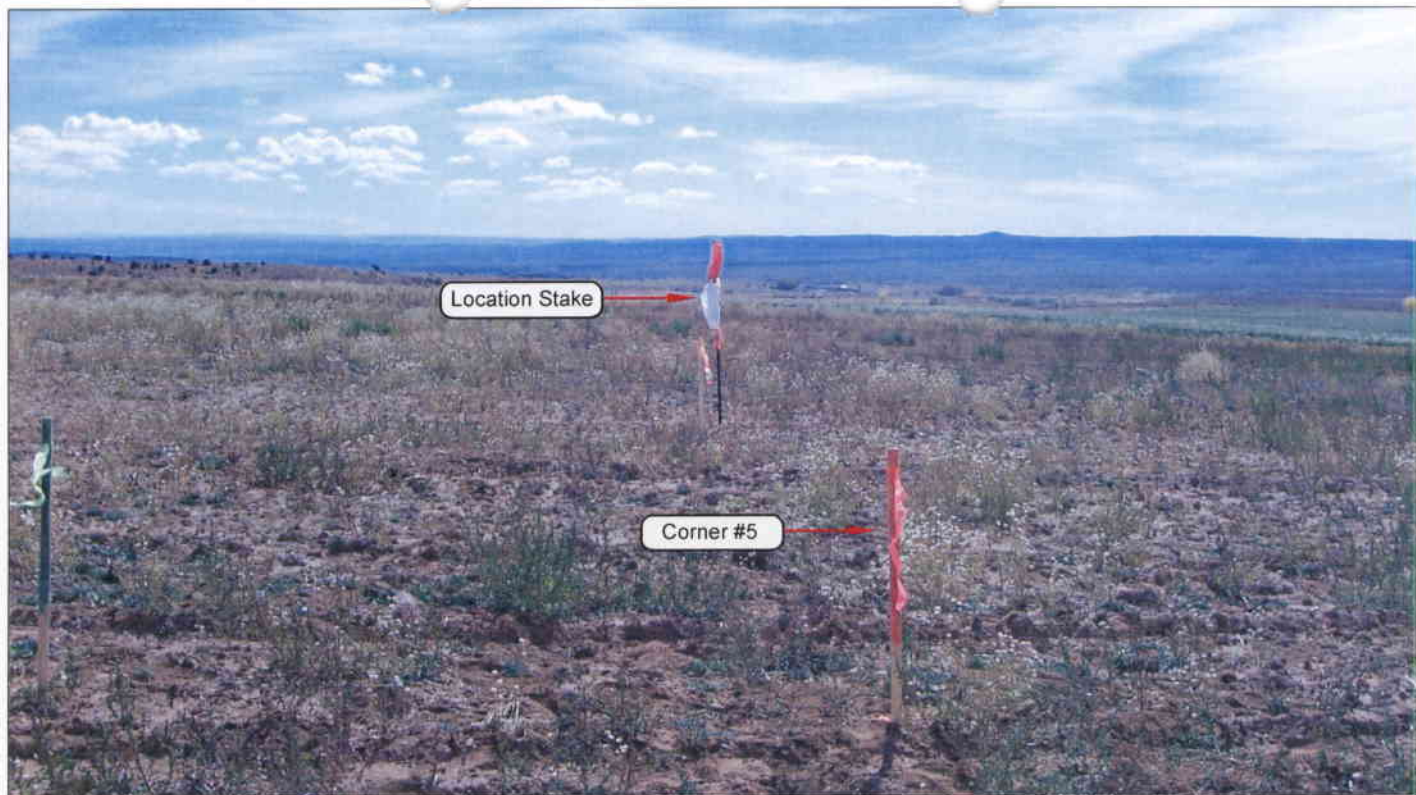


PHOTO VIEW: FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY

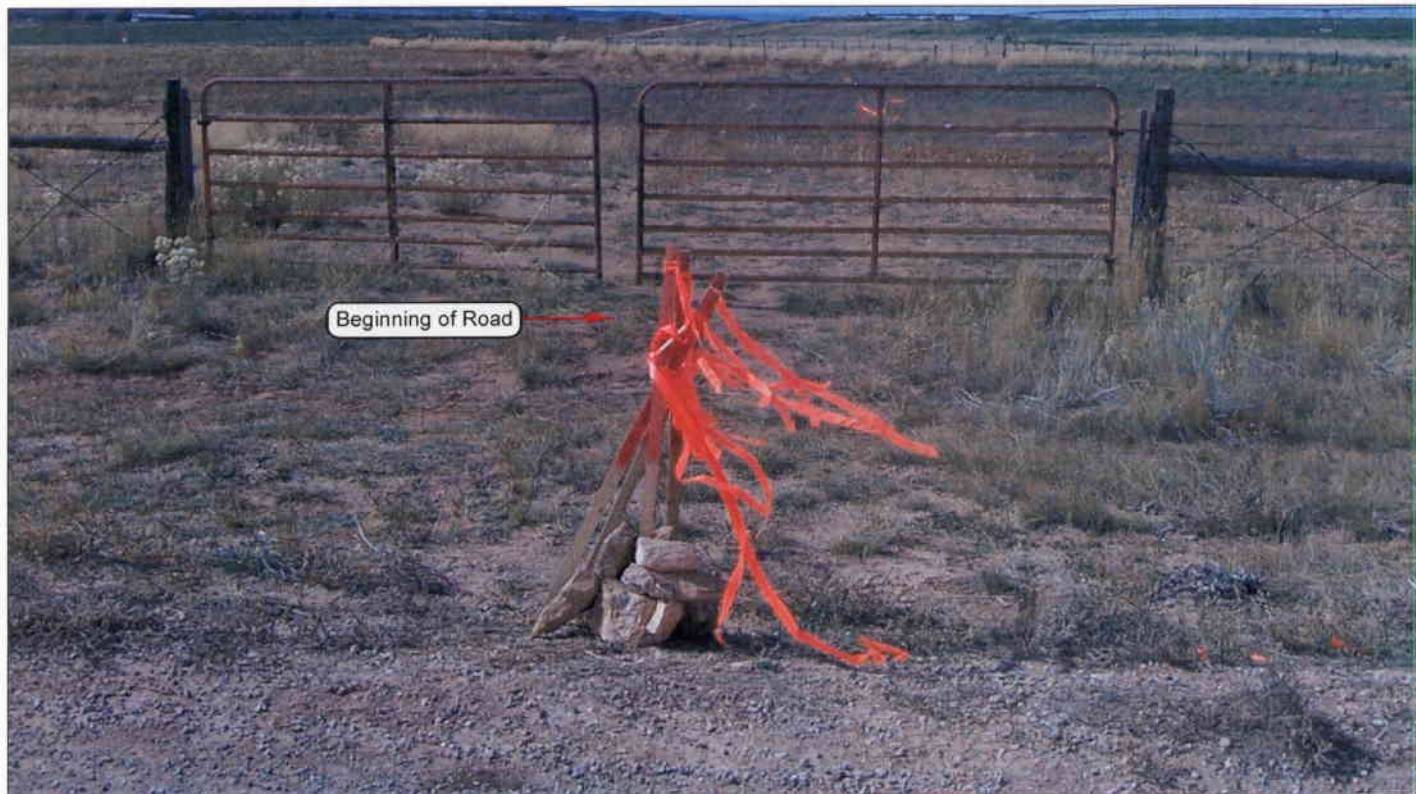


PHOTO VIEW: FROM BEGINNING OF PROPOSED ROAD

CAMERA ANGLE: SOUTHWESTERLY

CABOT OIL AND GAS

McKenna 2-44
SECTION 2, T29S, R24E, S.L.B.&M.
209' FSL & 515' FEL

LOCATION PHOTOS

TAKEN BY: B.J.S.

DRAWN BY: B.J.Z.

DATE TAKEN: 10-24-05

DATE DRAWN: 11-07-05

REVISED:

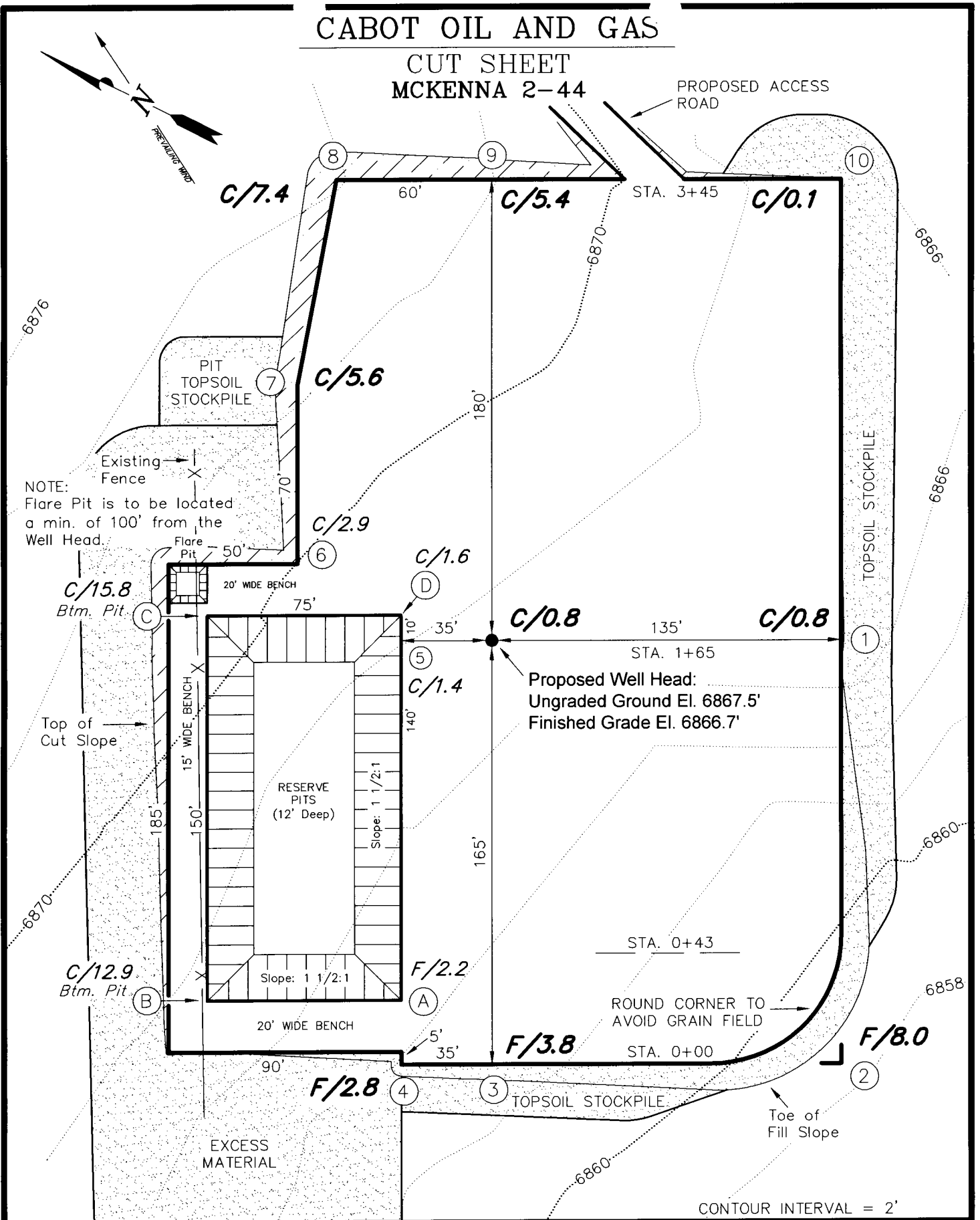
Timberline Land Surveying, Inc.
 38 West 100 North Vernal, Utah 84078
 (435) 789-1365

SHEET
1
OF 10

CABOT OIL AND GAS

CUT SHEET MCKENNA 2-44

PROPOSED ACCESS
ROAD

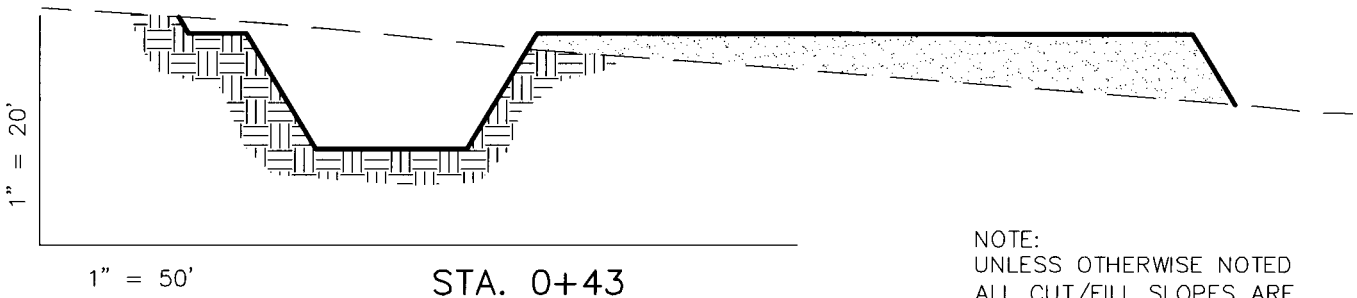
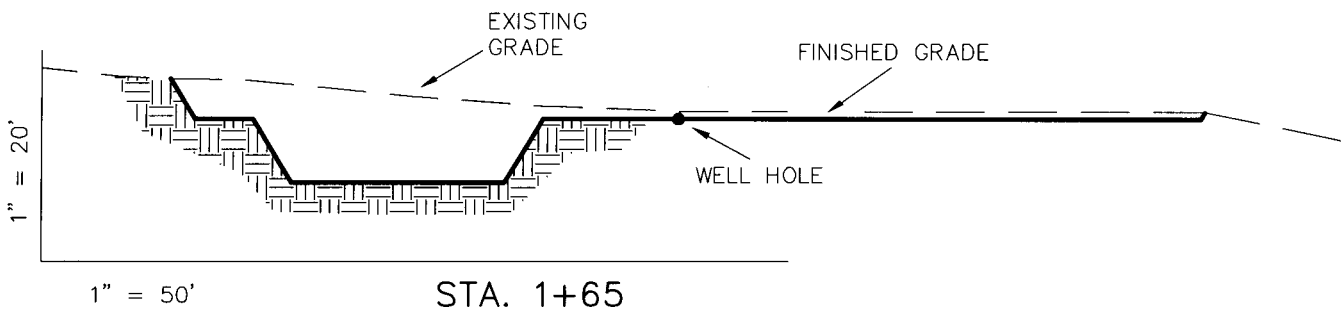
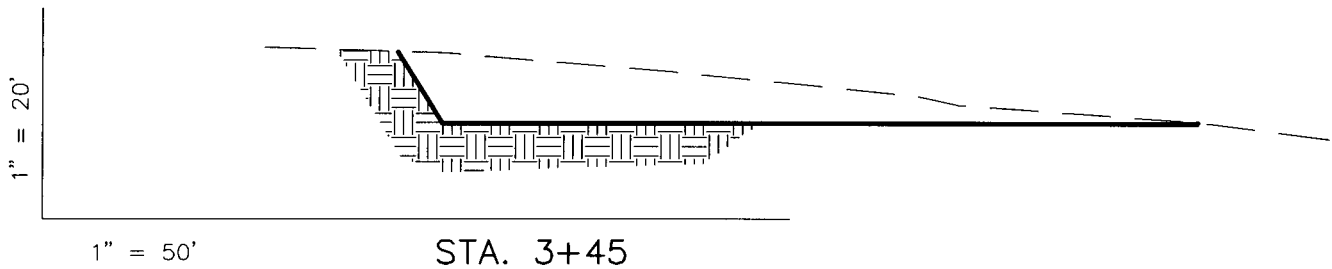


Section 2, T29S, R24E, S.L.B.&M.		Qtr/Qtr Location: SE SE		Footage Location: 209' FSL & 515' FEL	
Date Surveyed: 11-4-05	Date Drawn: 10-24-05	Date Last Revision:	<div>Timberline Land Surveying, Inc. 38 WEST 100 NORTH VERNAL, UTAH 84078</div> <div>(435) 789-1365</div>		SHEET 3 OF 10
Surveyed By: K.R.K.	Drawn By: J.R.S.	Scale: 1" = 50'			

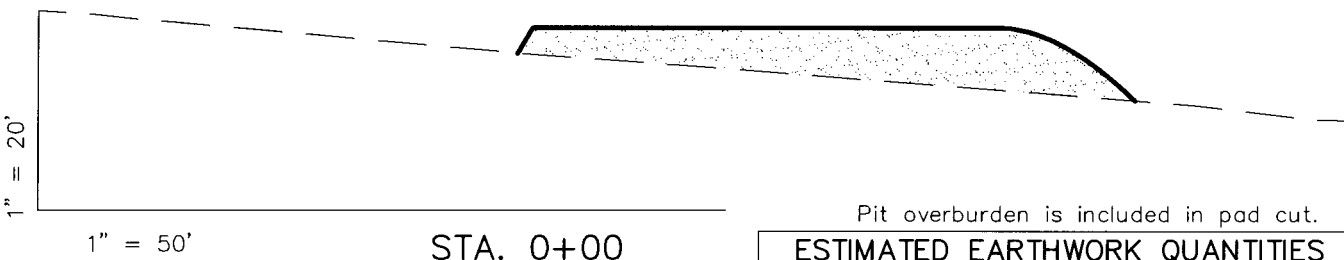
CABOT OIL AND GAS

CROSS SECTIONS

MCKENNA 2-44



NOTE:
UNLESS OTHERWISE NOTED
ALL CUT/FILL SLOPES ARE
AT 1.5:1



Pit overburden is included in pad cut.

ESTIMATED EARTHWORK QUANTITIES (No shrink or swell adjustments have been used) (Expressed in Cubic Yards)

ITEM	CUT	FILL	6" TOPSOIL	EXCESS
PAD	3,400	3,940	Topsoil is not included in Pad Cut	-540
PIT	3,340	0		3,340
TOTALS	6,740	3,940	1,500	2,800

Excess Material after Pit Rehabilitation = 1,130 Cu. Yds.

REFERENCE POINTS

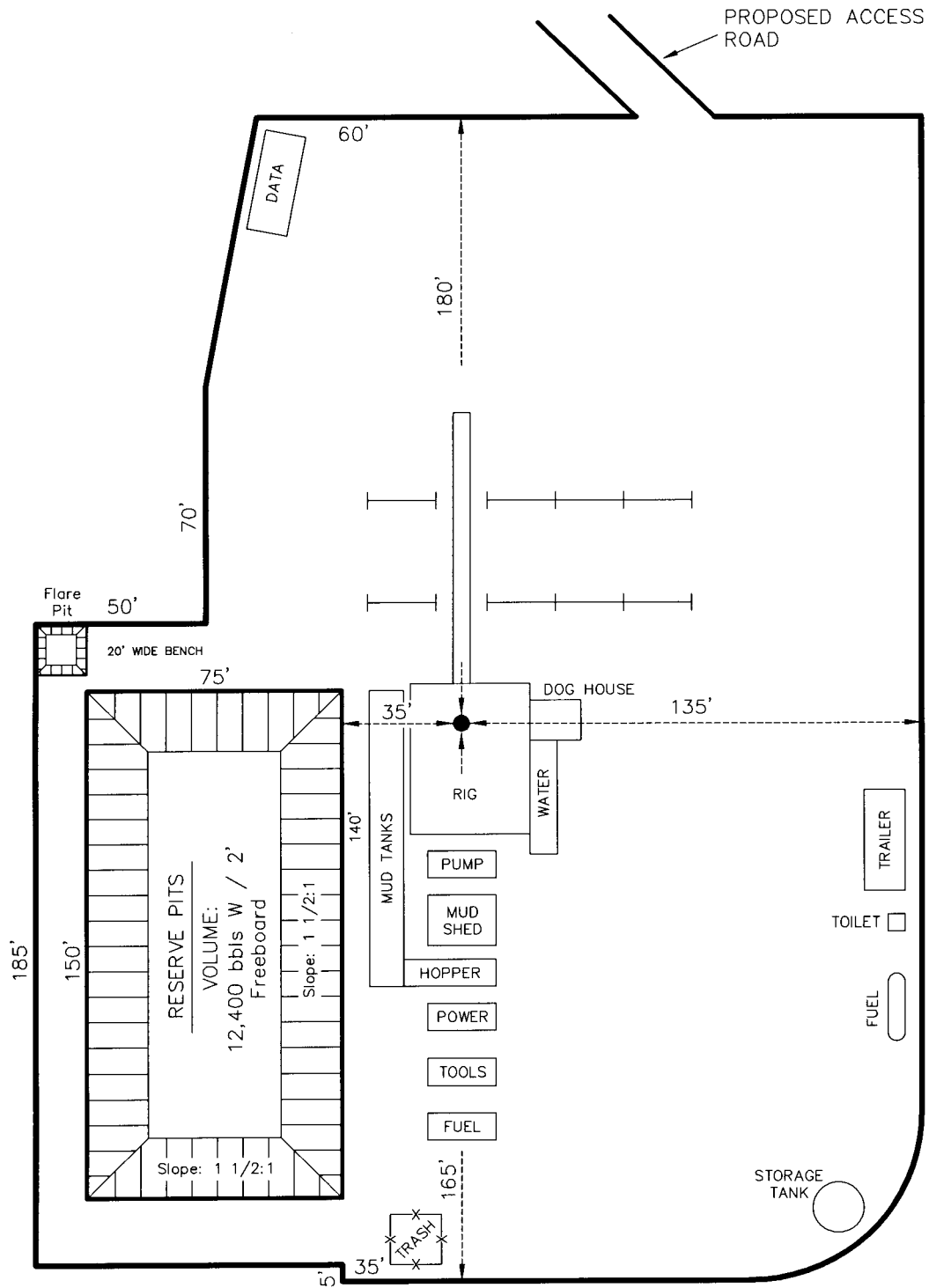
185' SOUTHEASTERLY = 6863.5'
235' SOUTHEASTERLY = 6861.9'
215' SOUTHWESTERLY = 6861.2'
265' SOUTHWESTERLY = 6860.0'

Section 2, T29S, R24E, S.L.B.&M.		Qtr/Qtr Location: SE SE		Footage Location: 209' FSL & 515' FEL	
Date Surveyed: 11-4-05	Date Drawn: 10-24-05	Date Last Revision:	<div>Timberline<i> (435) 789-1365</i></div> <div>Land Surveying, Inc.</div> <div>38 WEST 100 NORTH VERNAL, UTAH 84078</div>		SHEET 4 OF 10
Surveyed By: K.R.K.	Drawn By: J.R.S.	Scale: 1" = 50'			

CABOT OIL AND GAS

TYPICAL RIG LAYOUT

MCKENNA 2-44



Section 2, T29S, R24E, S.L.B.&M.

Qtr/Qtr Location: SE SE

Footage Location: 209' FSL & 515' FEL

Date Surveyed:
11-4-05

Date Drawn:
10-24-05

Date Last Revision:

Timberline (435) 789-1365
Land Surveying, Inc.

SHEET

Surveyed By: K.R.K.

Drawn By: J.R.S.

Scale: 1" = 50'

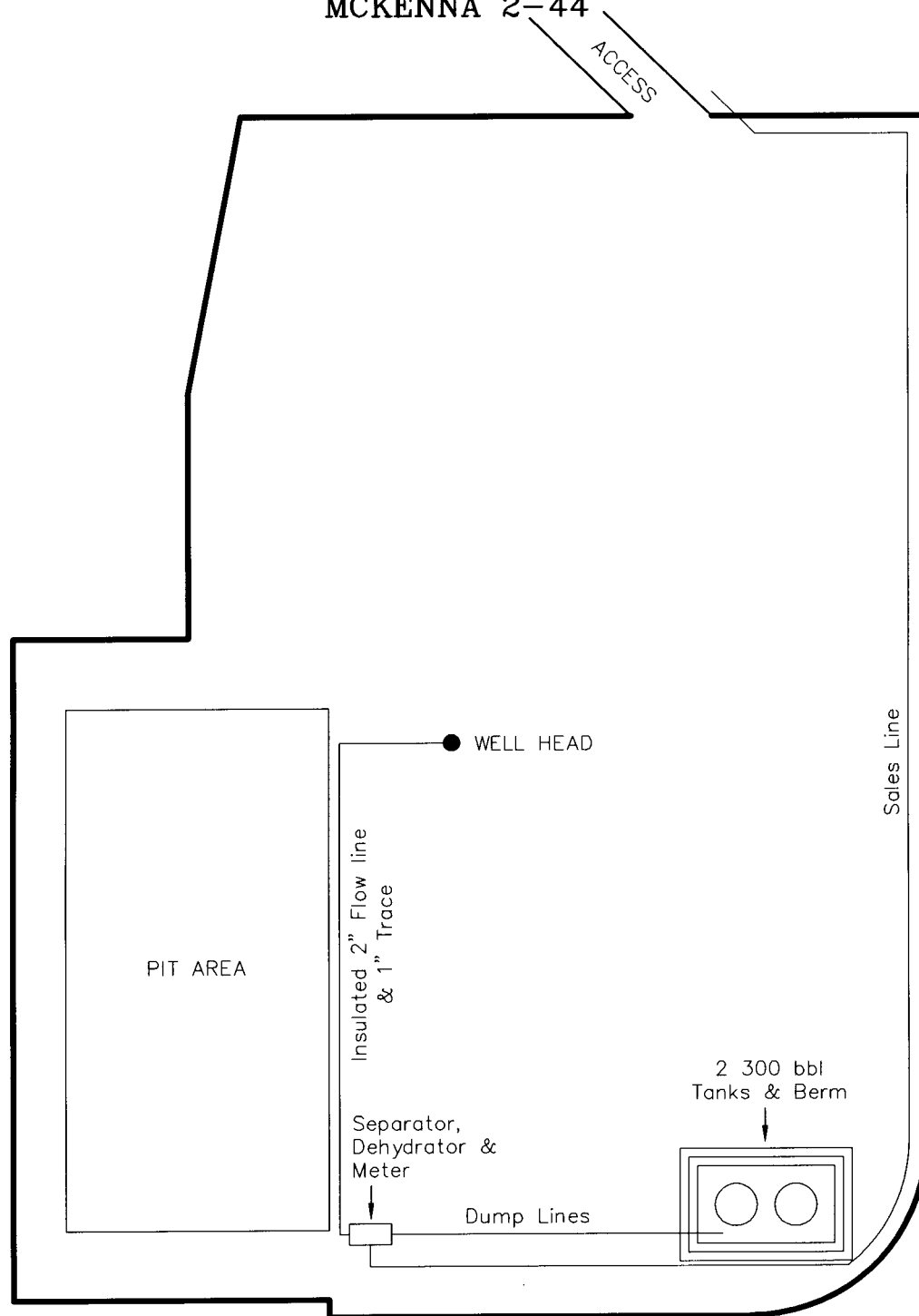
38 WEST 100 NORTH VERNAL, UTAH 84078

5
OF 10

CABOT OIL AND GAS

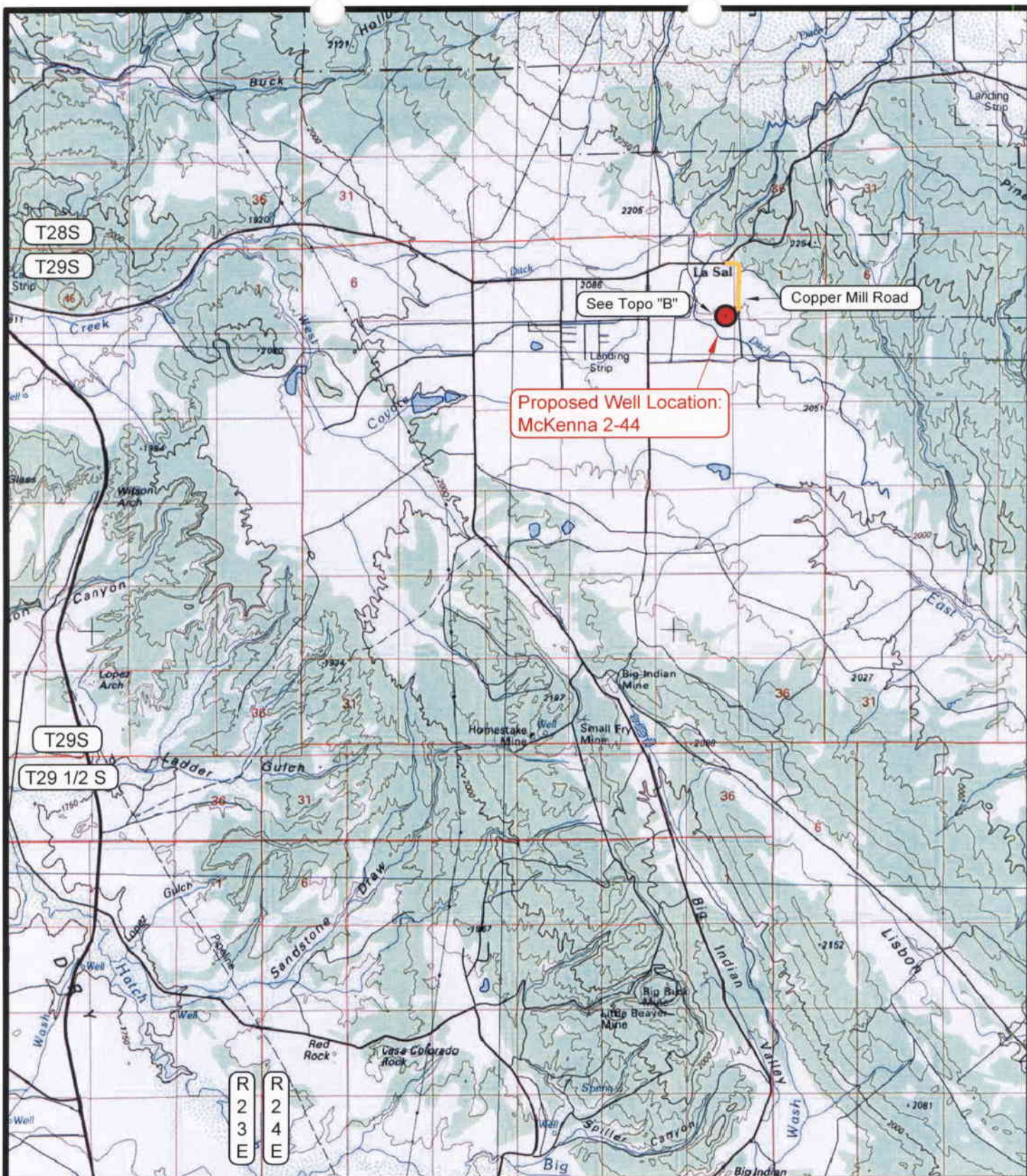
TYPICAL PRODUCTION LAYOUT

MCKENNA 2-44



Section 2, T29S, R24E, S.L.B.&M.		Qtr/Qtr Location: SE SE	Footage Location: 209' FSL & 515' FEL
Date Surveyed: 11-4-05	Date Drawn: 10-24-05	Date Last Revision:	Timberline <i>Land Surveying, Inc.</i> 38 WEST 100 NORTH VERNAL, UTAH 84078 (435) 789-1365
Surveyed By: K.R.K.	Drawn By: J.R.S.	Scale: 1" = 50'	

SHEET
6
OF 10



LEGEND

- = PROPOSED WELL LOCATION
- = EXISTING ROAD
- = EXISTING ROAD (TO BE IMPROVED)
- = PROPOSED ACCESS ROAD

TOPOGRAPHIC MAP "A"

SCALE: 1:100,000

DRAWN BY: BJ.Z.

DATE SURVEYED: 10-24-05

DATE DRAWN: 11-07-05

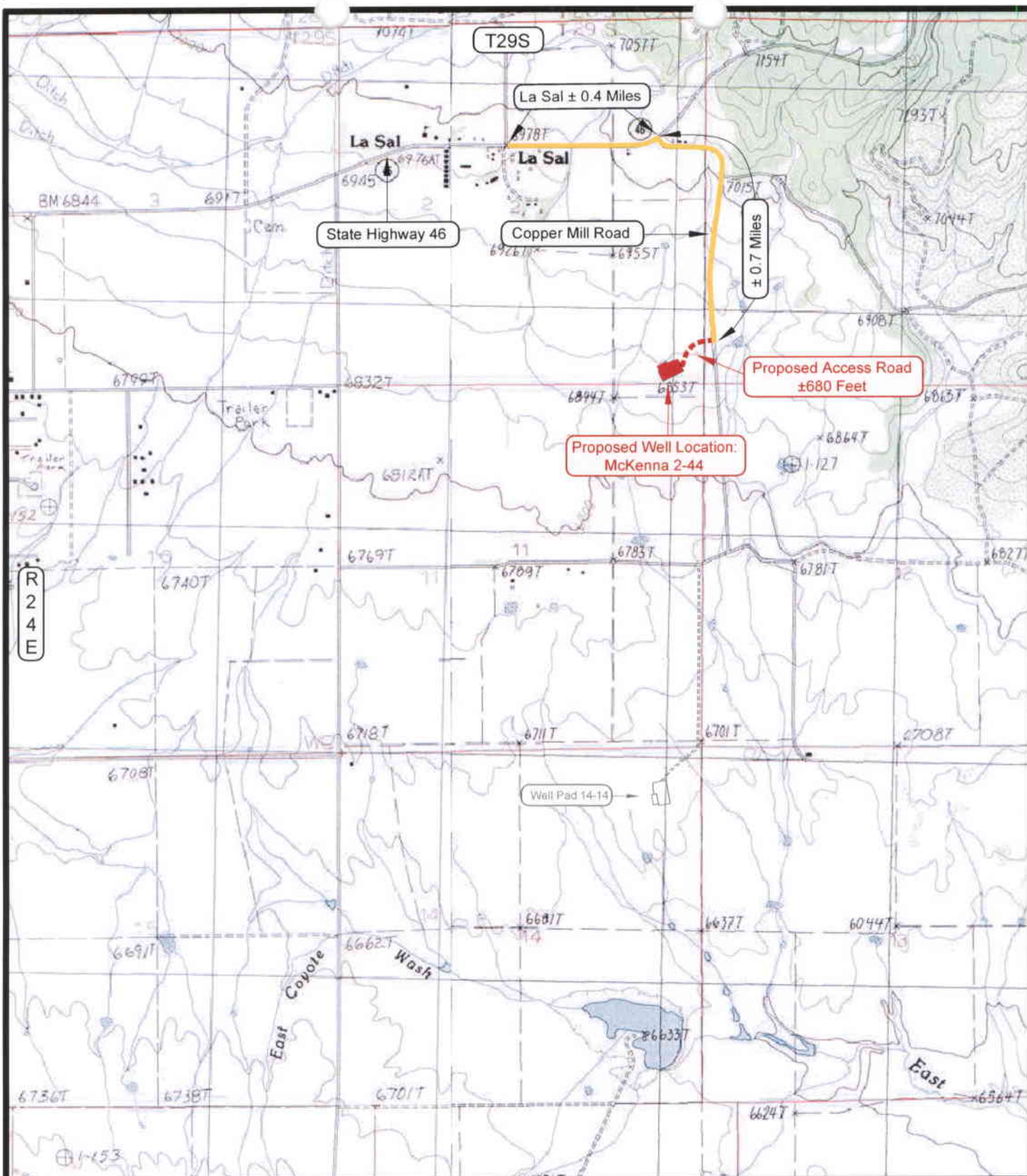
REVISED: 11-07-05

CABOT OIL AND GAS

McKenna 2-44
SECTION 2, T29S, R24E, S.L.B.&M.
209' FSL & 515' FEL

Timberline Land Surveying, Inc.
 38 West 100 North Vernal, Utah 84078
 (435) 789-1365

SHEET
7
 OF 10



LEGEND

- PROPOSED ACCESS ROAD
- = SUBJECT WELL
- = SHARED ACCESS
- = EXISTING ROAD
- = EXISTING ROAD (TO BE IMPROVED)

— = LEASE LINE AND / OR
PROPERTY LINE

TOPOGRAPHIC MAP "B"

SCALE: 1" = 2000'

DRAWN BY: BJ.Z.

DATE SURVEYED: 10-24-05

DATE DRAWN: 11-07-05

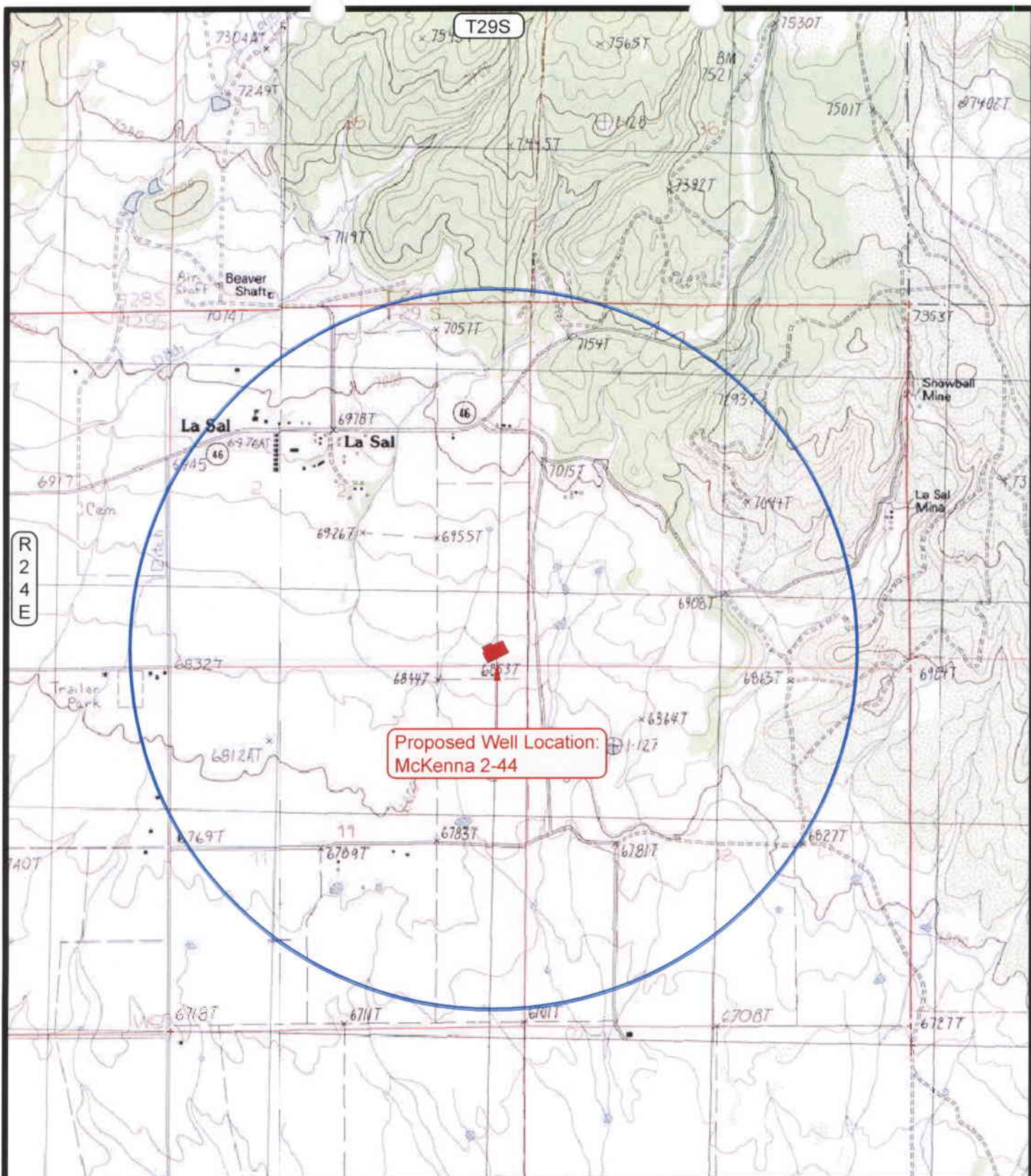
REVISED:

CABOT OIL AND GAS

McKenna 2-44
SECTION 2, T29S, R24E, S.L.B.&M.
209' FSL & 515' FEL

Timberline Land Surveying, Inc.
38 West 100 North Vernal, Utah 84078
(435) 789-1365

SHEET
8
OF 10



LEGEND

- | | |
|--------------------|--------------------------------|
| ⊗ = DISPOSAL WELL | ⊗ = WATER WELL |
| ● = PRODUCING WELL | ● = ABANDONED WELL |
| ● = SHUT IN WELL | ● = TEMPORARILY ABANDONED WELL |
| ○ = PROPOSED WELL | ⊕ = ABANDONED LOCATION |

TOPOGRAPHIC MAP "C"

DATE SURVEYED: 10-24-05

DATE DRAWN: 11-07-05

SCALE: 1" = 2000'

DRAWN BY: BJ.Z.

REVISED:

CABOT OIL AND GAS

McKenna 2-44
SECTION 2, T29S, R24E, S.L.B.&M.
209' FSL & 515' FEL

Timberline Land Surveying, Inc.
 38 West 100 North Vernal, Utah 84078
 (435) 789-1365

SHEET
9
OF 10

STIPULATIONS:

T28S R24E

T29S R24E

3

2

1

MCKINNA 2-44

TXP-WILCOX 1-10

10

11

12

MCKINNA 14-14

15

14

13

OPERATOR: CABOT O&G (N6345)

SEC: 2 T. 29S R. 24E

FIELD: WILDCAT (001)

COUNTY: SAN JUAN

SPACING: R649-3-3 / EXCEPTION LOCATION

Field Status

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

Unit Status

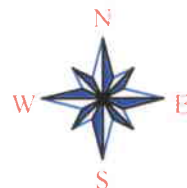
- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Wells Status

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
DATE: 12-DECEMBER-2005

DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS

OPERATOR: Cabot Oil and Gas
WELL NAME & NUMBER: Mckenna 2-44
API NUMBER: 43-037-31840
LOCATION: 1/4,1/4 SESE: Sec 2 TWP: 29 RNG: 24 209 FSL 515 FEL

Geology/Ground Water:

This location is situated on moderately permeable soil formed on mixed Quaternary-age eolian or alluvial deposits covering either the Cretaceous-age Burro Canyon Formation or the Dakota Sandstone. Numerous underground water rights have been filed within a mile of this location. The subject well is proposed to use a benign fresh water mud system to 2,600' (upper Chinle Formation of the Glen Canyon Group according to their prognosis) and subsequently surface case to 2,300', barely into the same Formation, and convert to a low solids non-dispersed mud system below that depth. The subject location is relatively near the Lisbon Valley fault system so the area may present fracture permeability, lost circulation and a significant quantity of high quality groundwater may be encountered. I propose that the operator be required to positively extend their surface string more securely into the upper Chinle Formation (many seeps occur in the base of the Wingate Sandstone in SE Utah). If this is done the surface casing and cementing program is more likely to adequately isolate any zones of fresh water that may be penetrated.

Reviewer: Christopher J. Kierst **Date:** 1/24/06

Surface:

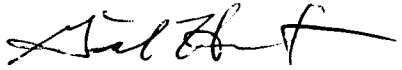
On-site conducted January 10, 2006. In attendance: Bart Kettle (DOGM), Ginger Stringham (Paradigm Consulting, Inc), Kolby Kay (Timberline Land Surveying, Inc), Charles Redd (Surface owner) Paul Redd (Surface owner). Surface owner requested that a cattle guard be installed at the site of the gate along with a gate. Surface owner requested that the road be a raised bed road prior to the start of drilling, preferred that no gravel be applied to road unless needed. No Surface Use Agreement has been signed at the time of the onsite visit. Surface owner requested that reserve pit be fenced to prevent access by livestock. Reserve pit will be fence on three sides while the rig is on location and on all four sides immediately upon remove of the drilling rig until closed. No production fluids will be allowed in the reserve pit, a temporary tank will be required on location while testing well.

Reviewer: Bart Kettle **Date:** January 13, 2006

Conditions of Approval/Application for Permit to Drill:

1. Reserve pit fenced on three sides during drilling, fourth side fenced upon completion of drilling.
2. A synthetic liner with a minimum thickness of 12 mils shall be properly installed and maintained in the reserve pit.
3. Place temporary tank on location while testing well, no production fluids are allowed in the reserve pit.
4. Extend surface casing to set 50' into the upper Chinle Formation.

STATE ACTIONS
Resource Development Coordinating Committee
Governor's Office of Planning and Budget
5110 State Office Building
SLC, UT 84114
Phone No. 537-9230

1. State Agency Oil, Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, UT 84114-5801	2. Approximate date project will start: Upon Approval or December 27, 2005
3. Title of proposed action: Application for Permit to Drill	
4. Description of Project: Cabot Oil and Gas proposes to drill the Mckenna 2-44 well (wildcat) on a Fee lease Fee, San Juan County, Utah. This action is being presented to the RDCC for consideration of resource issues affecting state interests. The Division of Oil, Gas and Mining is the primary administrative agency in this action and must issue approval before operations commence.	
5. Location and detailed map of land affected (site location map required, electronic GIS map preferred) (include UTM coordinates where possible) (indicate county) 209' FSL 515' FEL, SE/4 SE/4, Section 2, Township 29 South, Range 24 East, San Juan County, Utah	
6. Possible significant impacts likely to occur: Surface impacts include up to five acres of surface disturbance during the drilling and completion phase (estimated for five weeks duration). If oil and gas in commercial quantities is discovered, the location will be reclaimed back to a net disturbance of between one and two acres – not including road, pipeline, or utility infrastructure. If no oil or gas is discovered, the location will be completely reclaimed.	
7. Identify local government affected a. Has the government been contacted? No. b. When? c. What was the response? d. If no response, how is the local government(s) likely to be impacted?	
8. For acquisitions of land or interests in land by DWR or State Parks please identify state representative and state senator for the project area. Name and phone number of state representative, state senator near project site, if applicable: a. Has the representative and senator been contacted? N/A	
9. Areawide clearinghouse(s) receiving state action: (to be sent out by agency in block 1) Southeastern Utah Association of Governments	
10. For further information, contact: Diana Whitney Phone: (801) 538-5312	11. Signature and title of authorized officer  Gil Hunt, Associate Director Date: December 13, 2005

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL			5. MINERAL LEASE NO: Fee	6. SURFACE: Fee
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>			7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>			8. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: Cabot Oil and Gas			9. WELL NAME and NUMBER: Mckenna 2-44	
3. ADDRESS OF OPERATOR: 600 17th st. Suite 900N CITY Denver STATE CO ZIP 80202		PHONE NUMBER: (303) 868-6612	10. FIELD AND POOL, OR WILDCAT: Paradox <u>Widdell</u>	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 209' FSL & 515' FEL AT PROPOSED PRODUCING ZONE: Same as above.			11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 2 29S 24E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 1.2 miles south of La Sal, UT			12. COUNTY: San Juan	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 209'	16. NUMBER OF ACRES IN LEASE:	17. NUMBER OF ACRES ASSIGNED TO THIS WELL:		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) NA	19. PROPOSED DEPTH: 10,800	20. BOND DESCRIPTION: 5809579		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 6,867 GR	22. APPROXIMATE DATE WORK WILL START: 1/25/2006	23. ESTIMATED DURATION: 30 Days		

24. PROPOSED CASING AND CEMENTING PROGRAM							
SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
12 1/4	9 5/8	J-55	36#	2,300	Premium Lite	360 sx	2.28cf/sk 8.4 PPG
					Type III	450 sx	1.43cf/sk 8.4 PPG
8 3/4	7"	HCP-110	26#	10,800	Premium Lite High Stg	970 sx	2.02cf/sk 9.0 PPG

25. ATTACHMENTS	
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:	
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN <input checked="" type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

CONFIDENTIAL

NAME (PLEASE PRINT) <u>William A Ryan</u>	TITLE <u>Agent</u>
SIGNATURE <u>William A Ryan</u>	DATE <u>11/21/2005</u>

(This space for State use only)

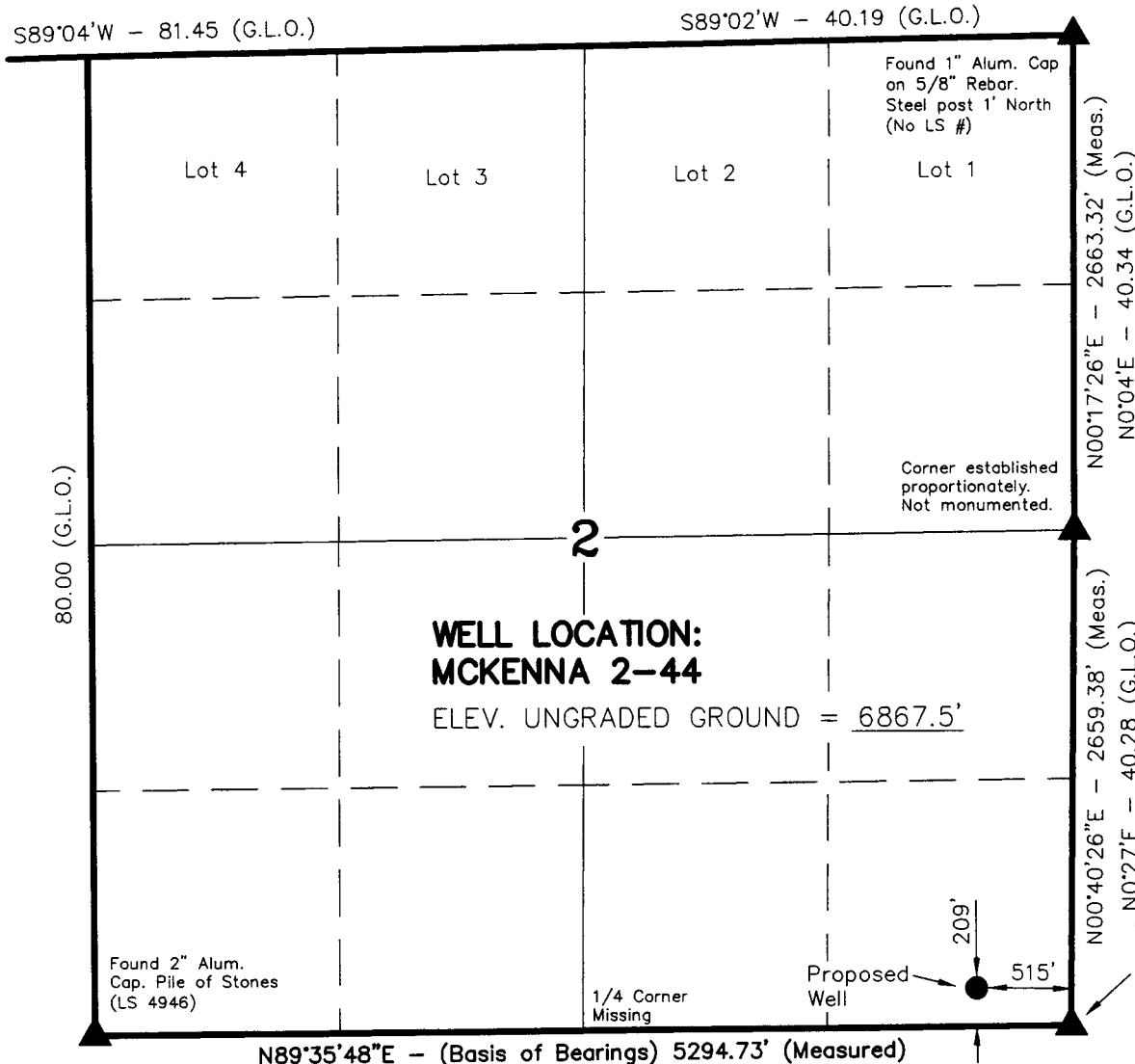
API NUMBER ASSIGNED: 43-037-31840

APPROVAL:

DEC 07 2005

T29S, R24E, S.L.B.&M.

CABOT OIL AND GAS



WELL LOCATION, MCKENNA 2-44,
LOCATED AS SHOWN IN THE SE 1/4 SE
1/4 OF SECTION 2, T29S, R24E,
S.L.B.&M. SAN JUAN COUNTY, UTAH.

NOTES:

1. Well footages are measured at right angles to the Section Lines.
2. Bearings are based on Global Positioning Satellite observations.
3. Basis of Elevation is Bench Mark G127 1934 Located in the West 1/2 of Section 3, T29S, R24E, S.L.B.&M. The Elevation of this Bench Mark is shown on the La Sal West, Utah 7.5 Min. Quadrangle as Being 6844'.

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS
PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS
MADE BY ME OR UNDER MY SUPERVISION AND THAT
THE SAME ARE TRUE AND CORRECT TO THE BEST OF
MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION No. 1552251
STATE OF UTAH

Reestablished corner
proportionately. Set Alum.
Cap on 5/8" rebar.
Erected pile of Stones
around cap. (LS 362251)

TIMBERLINE LAND SURVEYING, INC.

38 WEST 100 NORTH. - VERNAL, UTAH 84078
(435) 789-1365

DATE SURVEYED: 10-24-05	SURVEYED BY: K.R.K.	SHEET 2 OF 10
DATE DRAWN: 11-04-05	DRAWN BY: J.R.S.	
SCALE: 1" = 1000'	Date Last Revised:	

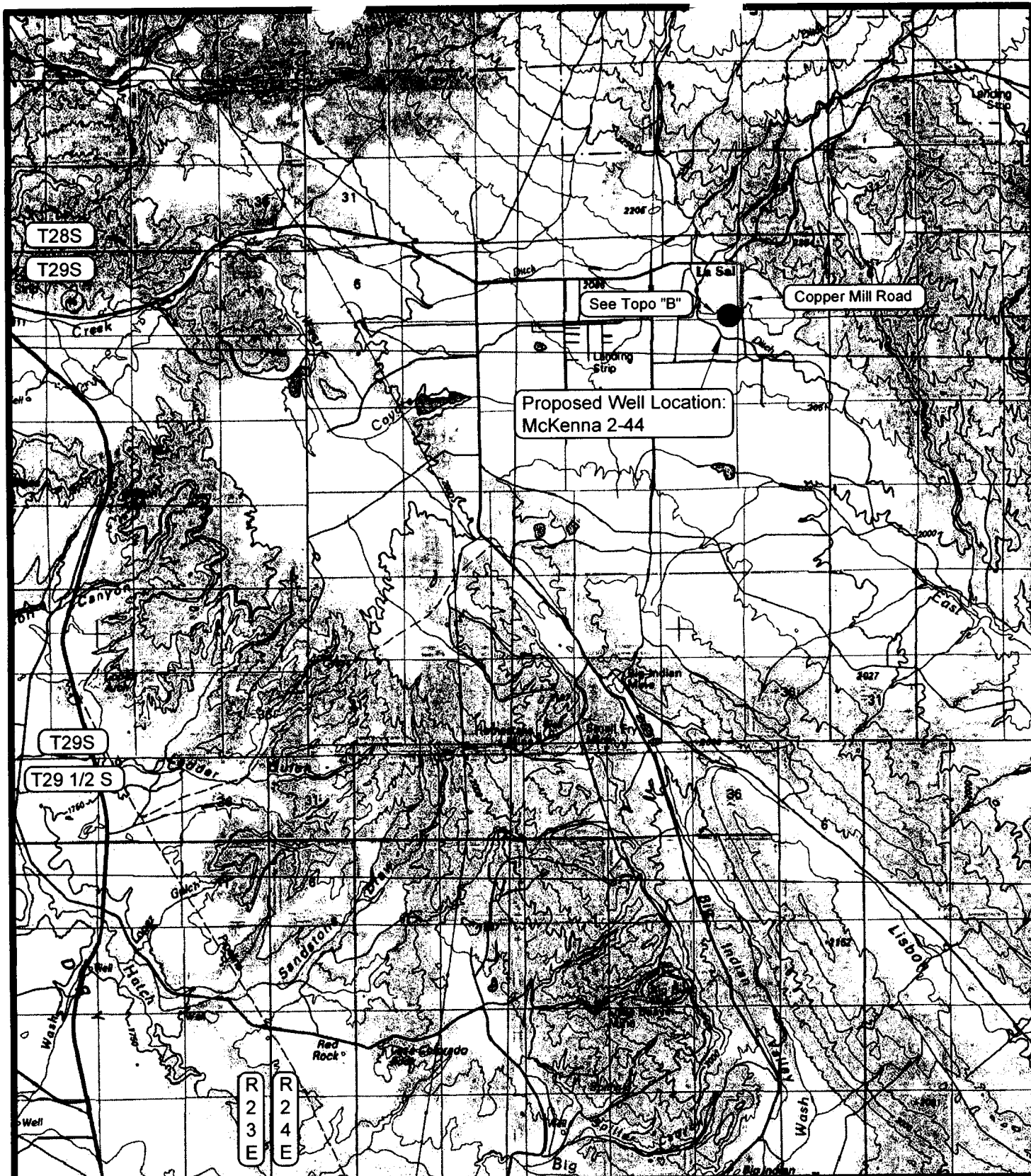
UTAH STATE PLANE COORDINATES, 1927, SOUTH ZONE

X = 2,648,772.301
Y = 603,818.788

MCKENNA 2-44 (Surface Location) NAD 83

LATITUDE = 38° 18' 12.27"
LONGITUDE = 109° 14' 23.05"

▲ = SECTION CORNERS LOCATED 80.10 (G.L.O.)



LEGEND

- = PROPOSED WELL LOCATION
- = EXISTING ROAD
- = EXISTING ROAD (TO BE IMPROVED)
- = PROPOSED ACCESS ROAD

TOPOGRAPHIC MAP "A"

DATE SURVEYED: 10-24-05

DATE DRAWN: 11-07-05

SCALE: 1:100,000

DRAWN BY: BJ.Z.

REVISED: 11-07-05

CABOT OIL AND GAS

McKenna 2-44

SECTION 2, T29S, R24E, S.L.B.&M.

209' FSL & 515' FEL

Timberline Land Surveying, Inc.

38 West 100 North Vernal, Utah 84078
(435) 789-1365

SHEET

7

OF 10

Project Number: 6023 Sponsor: Division of Oil, Gas and Mining
SLB&M: Sec. 2, T29S, R24E Counties Affected: San Juan
Description: Application for Permit to Drill - proposal to drill a wildcat well

Comments:

Well must be drilled and managed to prevent degradation of water quality through measures to limit erosion, limit stormwater runoff, and limit pollutant loading to runoff.

- 1- Wellpad placement or expansion disturbs soils. Vegetative and/or structural measures to control erosion should be implemented within 60 days of initial soil disturbance to prevent erosion leaving the site from exceeding the tolerable rate as determined by the local office of USDA/NRCS.
- 2- If vegetation surrounding the wellpad does not provide at least 60% ground cover within 60 days of creating the wellpad, engineering practices should be implemented within those 60 days to control erosion. Such engineering measures may include mulching, use of fiber mats, cross slope trenching, contour furrows, rock dams, terracing or such other erosion control practices as are required to prevent erosion from exceeding the tolerable rate.
- 3- No disturbance or degradation to or of surrounding or nearby soils, native or beneficial vegetation, or riparian areas should be permitted.
- 4- In addition, no spills nor runoff of chemicals including hydrocarbons, lubricants, salt water, antifreeze, or other potentially damaging materials should be permitted.

From: Robert Clark
To: Whitney, Diana
Date: 12/20/2005 4:08:49 PM
Subject: RDCC comments

Cabot Oil & Gas
6023

The following comments on **RDCC #6018 - 6028** are being sent directly to DOG&M due to their short turn around times.

RDCC #6018 - 6022, #6027, & #6028, comments begin: The proposed Houston Exploration well drilling projects in Uintah County may require permits, known as Approval Orders, from the Utah Division of Air Quality if any compressor stations are constructed at the sites. A permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, SLC, UT, 84116 for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The proposed projects are also subject to Utah Air Quality Rule R307-205-3, Fugitive Dust, due to the fugitive dust that is generated during the excavating phases of the projects. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Division of Air Quality, but steps need to be taken to minimize fugitive dust, such as, watering and/or chemical stabilization, providing vegetative or synthetic cover and windbreaks. A copy of the rules may be found at www.rules.utah.gov/publicat/code/r307/r307.htm. **Comments end.**

RDCC #6023, #6025, & #6026, comments begin: The proposed Cabot Oil and Gas well drilling projects in San Juan County may require permits, known as Approval Orders, from the Utah Division of Air Quality if any compressor stations are constructed at the sites. A permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, SLC, UT, 84116 for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The proposed projects are also subject to Utah Air Quality Rule R307-205-3, Fugitive Dust, due to the fugitive dust that is generated during the excavating phases of the projects. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Division of Air Quality, but steps need to be taken to minimize fugitive dust, such as, watering and/or chemical stabilization, providing vegetative or synthetic cover and windbreaks. A copy of the rules may be found at www.rules.utah.gov/publicat/code/r307/r307.htm. **Comments end.**

RDCC #6024, comments begin: The proposed Delta Petroleum well drilling project in Grand County may require a permit, known as Approval Order, from the Utah Division of Air Quality if any compressor stations are constructed at the site. A permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, SLC, UT, 84116 for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The proposed project is also subject to Utah Air Quality Rule R307-205-3, Fugitive Dust, due to the fugitive dust that is generated during the excavating phases of the project. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Division of Air Quality, but steps need to be taken to minimize fugitive dust, such as, watering and/or chemical stabilization, providing vegetative or synthetic cover and windbreaks. A copy of the rules may be found at www.rules.utah.gov/publicat/code/r307/r307.htm. **Comments end.**

Robert Clark
Utah Division of Air Quality
536-4435

CC: Mcneill, Dave; Wright, Carolyn

**State of Utah****Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Wildlife Resources**

JAMES F. KARPOWITZ
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

December 20, 2005

Gil Hunt
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Subject: RDCC Project 6023, Application for Permit to Drill Mckenna 2-44 well

Dear Mr. Hunt:

The Utah Division of Wildlife Resources has reviewed the subject document, and we provide the following comments:

We are concerned that the proposed action will result in impacts to Gunnison sage grouse habitat and mule deer. This location is within crucial winter range of mule deer and Gunnison sage-grouse. Gunnison sage-grouse are thought to have been extirpated from this area however; they have been sighted in the area within the last 10 years. Further, the Gunnison Sage-Grouse Recovery Plan stresses the importance of keeping habitat intact.

To minimize impacts to wildlife we recommend that our winter drilling restrictions for big game (December 1st -April 15th) be followed. In addition, we would recommend that the operator avoid placing the well pad in sagebrush parks or openings to reduce habitat loss and fragmentation of crucial habitat for both mule deer and Gunnison sage grouse. We are available to meet with the operator to help site the drill location to minimize impacts to wildlife while trying to meet resource extraction needs.

Mitigation should be accomplished by completing a habitat restoration project to compensate for both ground and noise disturbance to wildlife.

Thank you for the opportunity to review this proposed action and provide comment. If you have any questions, please call Nathan Sill, Wildlife biologist, at our Price office (435-636-0283).

Sincerely,

Derris Jones
Regional Supervisor

Page 2
January 5, 2006
Subject:

DRJ/nss

ON-SITE PREDRILL EVALUATION
Division of Oil, Gas and Mining

OPERATOR: Cabot Oil and Gas
WELL NAME & NUMBER: Mckenna 2-44
API NUMBER: 43-037-31840
LEASE: State **FIELD/UNIT:** _____
LOCATION: 1/4,1/4 SESE **Sec:** 2 **TWP:** 29S **RNG:** 24E 209 **FSL** 515 **FEL**
LEGAL WELL SITING: 460 F **SEC. LINE;** 460 F **1/4,1/4 LINE;** 920 F **ANOTHER WELL.**
GPS COORD (UTM): X =653981 E; Y =4240730 N **SURFACE OWNER:** Fee

PARTICIPANTS

Bart Kettle(DOGM), Ginger Stringham (Paradigm Consulting, Inc), Kolby Kay (Timberline Land Surveying, Inc), Charles Redd (Surface owner) and Paul Redd (Surface owner).

REGIONAL/LOCAL SETTING & TOPOGRAPHY

Proposed location is ~1.2 miles southeast of La Sal, San Juan County, Utah. Areas surrounding the proposed well are a series of rough broken up sandstone ledges, wide relatively flat valley floors and agriculture fields. Pinyon/Juniper and Wyoming sage communities that have been chained and seeded with crested wheatgrass dominate the general area, however the immediate area surrounding this well are alfalfa hay fields. Access to this well will be along county roads with approximately 680' of newly constructed access road across private lands. Drainage is to the southeast entering the Dolores River ~15 miles away. There is no ground cover at the staked location at the time of on-site visit and that portion of the field had been disked and reseeded the previous fall. Soils are prone to wind erosion when vegetation is disturbed.

SURFACE USE PLAN

CURRENT SURFACE USE: Wildlife, farm land and livestock grazing.

PROPOSED SURFACE DISTURBANCE: 345' x 260'

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: None

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: Production facilities such as separators, dehydrators, flow meters and tanks will be located on-site.

SOURCE OF CONSTRUCTION MATERIAL: On-site

ANCILLARY FACILITIES: None required

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST OR CONCERNS? (EXPLAIN): Drilling at this location is not expected to generate significant public concern.

WASTE MANAGEMENT PLAN:

A trash cage fabricated from expanded metal will be used to hold trash on location and will be removed to an authorized landfill location. A portable chemical toilet will be supplied for human waste.

Reserve pit will be used to store water for drilling. A semi closed system will be used to drill the well. All fresh water for drilling will come from a frac tank placed on location and from the rig tank. The pit will be used to hold non-flammable materials such as cuttings, salt, drilling fluids. No produced fluids will be allowed into the reserve pit, a temporary tank will be required to collect these fluids.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: No flood plains of wetlands will be affected by building this well pad. Pad construction is not expected to affect the short-term sediment loads into East Coyote Wash, but may increase long term wind erosion.

FLORA/FAUNA: Mule Deer, elk, cotton tail rabbits, black tail jack rabbits, whitetail prairie dogs, neo-tropical songbirds, lizards, snakes and raptors.

Grasses: None noted. Forbs: Lambsquater, annual kochia and Russian knapweed. Shrubs: None noted. Trees: None noted. Other: None noted.

SOIL TYPE AND CHARACTERISTICS: Eolian deposits, reddish orange silty sand.

SURFACE FORMATION & CHARACTERISTICS: Eolian deposits. Gently sloping wide valley with deep soils.

EROSION/SEDIMENTATION/STABILITY: Location is in a depositional zone for wind blown soils; soils are prone to wind and water erosion when disturbed.

PALEONTOLOGICAL POTENTIAL: None noted

RESERVE PIT

CHARACTERISTICS: 150'x75'x12'

LINER REQUIREMENTS (Site Ranking Form attached): Liner Required

SURFACE RESTORATION/RECLAMATION PLAN

As per surface use agreement

SURFACE AGREEMENT: Surface agreement has not been signed at the time of onsite visit.

CULTURAL RESOURCES/ARCHAEOLOGY:

OTHER OBSERVATIONS/COMMENTS

Surface owner requested that a cattle guard along with a gate be installed on the access road. Surface owner, or lessee will determine seed mixture to be used for reclamation. At the time of onsite visit a surface use agreement has not yet been signed.

ATTACHMENTS

Photos of this location were taken and placed on file.

Bart Kettle
DOGM REPRESENTATIVE

January 13, 2006, 2:45 P.M.
DATE/TIME

**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>0</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>20</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>5</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>5</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility		
Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>

Final Score 30 (Level I Sensitivity)

Sensitivity Level I = 20 or more; total containment is required, consider criteria for excluding pit use.

Sensitivity Level II = 15-19; lining is discretionary.

Sensitivity Level III = below 15; no specific lining is required.



[State Online Services](#)

[Agency List](#)

[Business.utah.gov](#)

Search Utah.gov

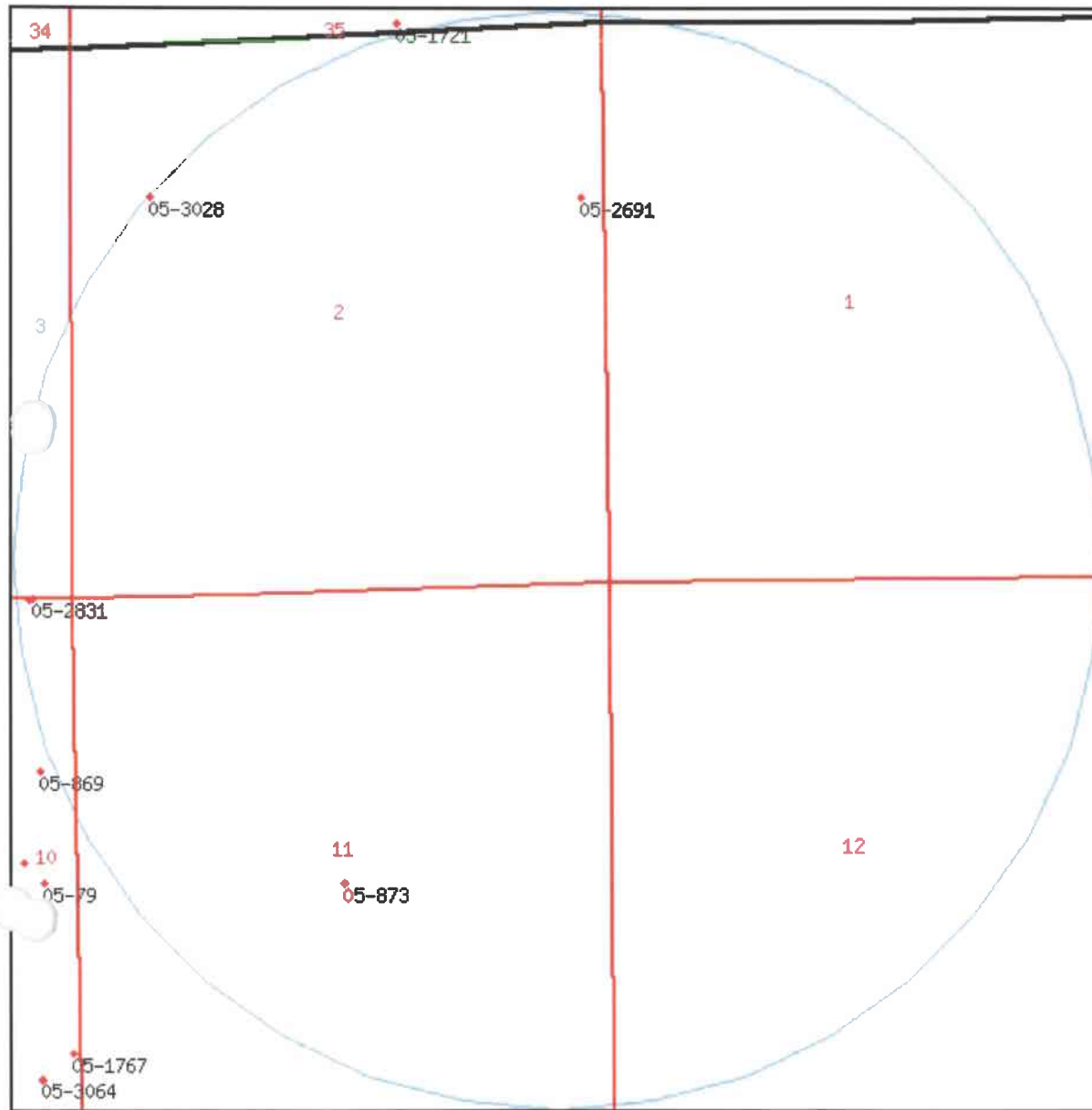
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UTAH DIVISION OF WATER RIGHTS

WRPLAT Program Output Listing

Version: 2004.12.30.00 Rundate: 01/24/2006 11:53 AM

Radius search of 5280 feet from a point N209 W515 from the SE corner, section 02, Township 29S, Range 24E, SL b&m Criteria:wrtypes=W,C,E
podtypes=all status=U,A,P usetypes=all



Water Rights

WR Number	Diversion Type/Location	Well Log	Status	Priority	Uses	CFS	ACFT	Owner Name
05-1721	Underground N250 E3170 SW 35 28S 24E SL	well info	P	19800325	X	0.015	0.000	UNION CARBIDE CORPORATION P.O. BOX 307
05-1767	Underground S1661 W50 E4 10 29S 24E SL	well info	P	19800606	DI	0.015	0.000	CHANDLER OIL AND GAS COMPANY 815 KEARNS BUILDING
05-203	Underground S94 W294 NE 10 29S 24E SL		P	19560823	D	0.015	0.000	E.L. CORD MINING COMPNAY BOX 474
05-2606	Underground N652 W312 SE 10 29S 24E SL	well info	P	20020311	DI	0.000	0.542	JODY PATTERSON P.O. BOX 644
05-2691	Underground N1005 W245 E4 02 29S 24E SL	well info	A	19971217	DIO	0.000	4.730	STATE OF UTAH DEPARTMENT OF TRANSPORTATION 4501 SOUTH 2700 WEST
05-2761	Underground N660 W310 SE 10 29S 24E SL		A	20050506	DIS	0.000	4.510	LAURIE JACOBSON 6118 NORTH 10TH AVENUE
05-2831	Underground S72 W260 NE 10 29S 24E SL		P	20000510	DIS	0.000	1.338	ALLEN PATTERSON 1482 SOUTH LANSING STREET
05-3027	Underground S1420 E780 NW 02 29S 24E SL		A	20040902	O	0.000	4.730	SAN JUAN SCHOOL DISTRICT 200 NORTH MAIN
05-3028	Underground S1420 E780 NW 02 29S 24E SL		A	20040903	IO	0.000	4.730	LASAL RECREATION DISTRICT P.O. BOX 102
05-3064	Underground N660 W310 SE 10 29S 24E SL		A	20050705	DIS	0.000	4.506	JEREMY R. & LEEYLA MARTINEZ 16 N. MOUNTAIN VIEW DRIVE

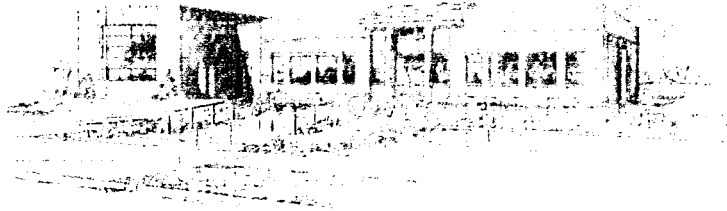
05-779	Underground		P	19700908 DIS	0.050 0.000	ROBERT S. AND MARY R. WILDMANN 41732 NORTH ROLLING GREEN WAY
	S2610 W360 NE 10 29S 24E SL					
05-79	Underground	well info	P	19530211 DIS	0.051 0.000	J. REED LARSEN 2801 NILA WAY
	S25 W342 E4 10 29S 24E SL					
05-869	Underground	well info	P	19720622 DIS	0.050 0.000	SANDRA WHARTON P.O. BOX 73
	S1725 W200 NE 10 29S 24E SL					
05-873	Underground	well info	P	19720828 DIS	0.090 0.000	REDD RANCHES PARADOX CO 81429
	S30 E2590 W4 11 29S 24E SL					

[Natural Resources](#) | [Contact](#) | [Disclaimer](#) | [Privacy Policy](#) | [Accessibility Policy](#)

SOUTHEASTERN UTAH ASSOCIATION OF LOCAL GOVERNMENTS

JERRY McNEELEY
CHAIRMAN

William D. Howell
EXECUTIVE DIRECTOR



375 SOUTH CARBON AVE.
P.O. DRAWER 1106
PRICE, UTAH 84501
(435) 637-5444
FAX (435) 637-5448

AREA WIDE CLEARINGHOUSE REVIEW

Federal Action _____ State Action x Approved (x)-Yes () No

Other (indicate) _____

Applicant Address:

Oil, Gas and Mining

1594 West North Temple #1210

SLC, UT 84114-5801

Name/Phone #

Diana Whitney 801-538-5312

Title/Project Description Application for Permit to Drill -

Cabot Oil and Gas proposes to drill the McKenna 2.44 well (wildcat) on a

Fee lease Fee, San Juan County, UT. 209' FSL 515' FEL, SE/4 SE/4, Sec. 2, TS29S, R24E, San Juan

County.

[] No Comment

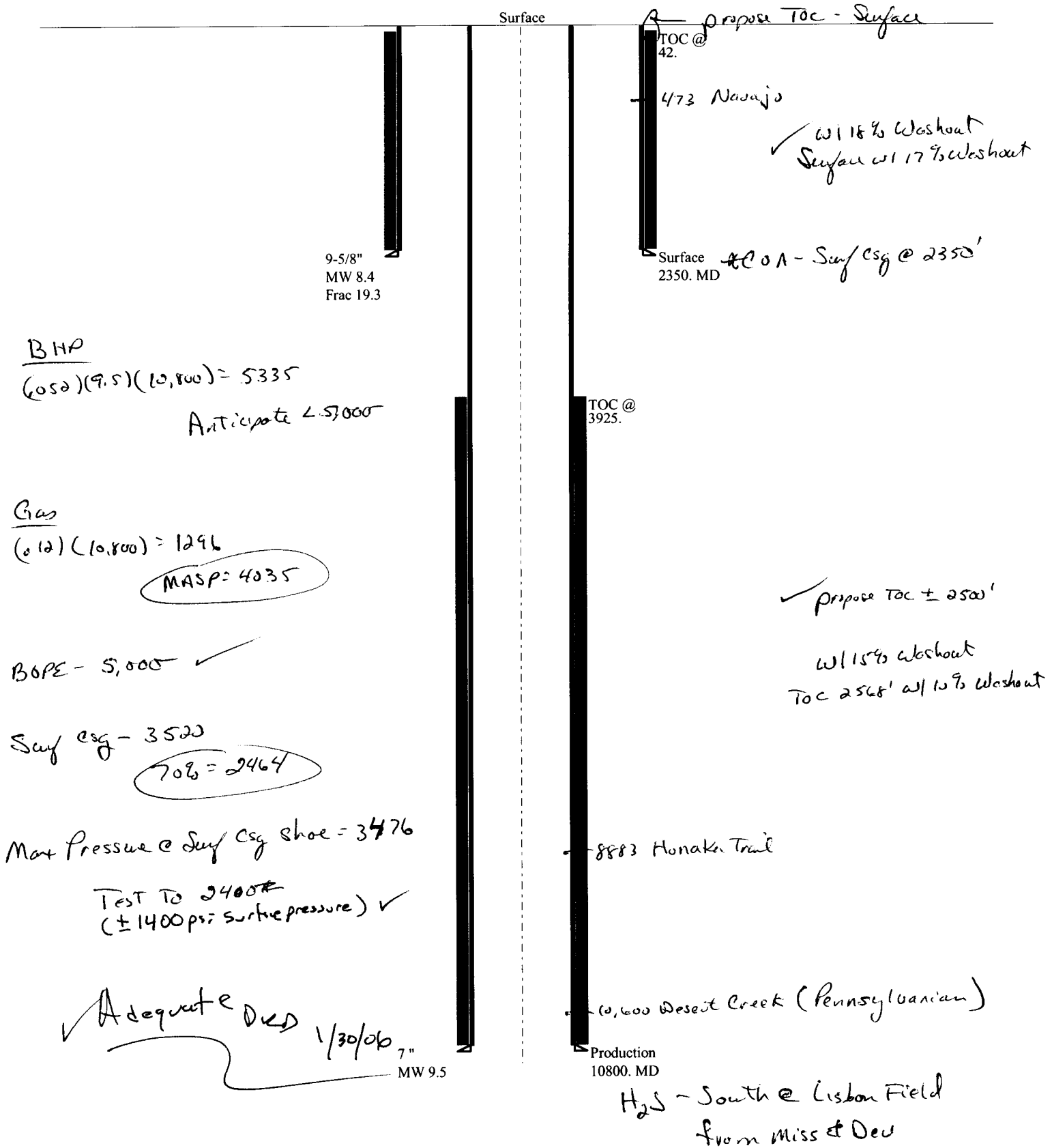
[] See comment below

Comments: Favorable comment recommended.

Loraine Benfield
SEUALG

1/19/06
DATE

01-06 Cabot McKenna 2-1. r
Casing Schematic



Well name:

01-06 Cabot McKenna 2-44Operator: **Cabot Oil and Gas**String type: **Surface**

Project ID:

43-037-31840

Location: **San Juan County****Design parameters:****Collapse**

Mud weight: 8.400 ppg

Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No

Surface temperature: 65 °F

Bottom hole temperature: 98 °F

Temperature gradient: 1.40 °F/100ft

Minimum section length: 250 ft

Cement top: 42 ft

Burst

Max anticipated surface

pressure: 2,068 psi

Internal gradient: 0.120 psi/ft

Calculated BHP 2,350 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)

8 Round LTC: 1.80 (J)

Buttress: 1.60 (J)

Premium: 1.50 (J)

Body yield: 1.50 (B)

Non-directional string.

Tension is based on buoyed weight.

Neutral point: 2,058 ft

Re subsequent strings:

Next setting depth: 10,800 ft

Next mud weight: 9.500 ppg

Next setting BHP: 5,330 psi

Fracture mud wt: 19.250 ppg

Fracture depth: 2,350 ft

Injection pressure 2,350 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2350	9.625	36.00	J-55	LT&C	2350	2350	8.796	167.3
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1025	2020	1.970	2350	3520	1.50	74	453	6.11 J

Prepared Clinton Dworshak
by: Utah Div. of Oil & MiningPhone: 801-538-5280
FAX: 810-359-3940Date: January 24, 2006
Salt Lake City, Utah**Remarks:**

Collapse is based on a vertical depth of 2350 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:

01-06 Cabot McKenna 2-44Operator: **Cabot Oil and Gas**String type: **Production**

Project ID:

43-037-31840

Location: **San Juan County****Design parameters:****Collapse**

Mud weight: 9.500 ppg

Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No

Surface temperature: 65 °F

Bottom hole temperature: 216 °F

Temperature gradient: 1.40 °F/100ft

Minimum section length: 1,500 ft

Cement top: 3,925 ft

Burst

Max anticipated surface

pressure: 4,034 psi

Internal gradient: 0.120 psi/ft

Calculated BHP 5,330 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)

8 Round LTC: 1.80 (J)

Buttress: 1.60 (J)

Premium: 1.50 (J)

Body yield: 1.50 (B)

Non-directional string.

Tension is based on buoyed weight.

Neutral point: 9,252 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	10800	7	26.00	HCP-110	LT&C	10800	10800	6.151	566.2
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	5330	7800	1.463	5330	9950	1.87	241	693	2.88 J

Prepared by: Clinton Dworshak
Utah Div. of Oil & MiningPhone: 801-538-5280
FAX: 810-359-3940Date: January 24, 2006
Salt Lake City, Utah**Remarks:**

Collapse is based on a vertical depth of 10800 ft, a mud weight of 9.5 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

May 18, 2006

Cabot Oil & Gas Corporation
600 17th St. Ste. 900 N
Denver, CO 80202

Re: Mckenna 2-44 Well, 209' FSL, 515' FEL, SE SE, Sec. 2, T. 29 South,
R. 24 East, San Juan County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-037-31840.

Sincerely,

A handwritten signature in black ink, appearing to read "Gil Hunt".

Gil Hunt
Associate Director

pab
Enclosures

cc: San Juan County Assessor

Operator: Cabot Oil & Gas Corporation
Well Name & Number Mckenna 2-44
API Number: 43-037-31840
Lease: Fee

Location: SE SE **Sec.** 2 **T.** 29 South **R.** 24 East

Conditions of Approval

1. **General**

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. **Notification Requirements**

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

3. **Reporting Requirements**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.
6. Operator shall comply with applicable recommendations resulting from Resource Development Coordinating Committee review. Statements attached.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
NAME OF OPERATOR: Cabot Oil & Gas		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
ADDRESS OF OPERATOR: 100 17th St. Suite 900 N. CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME: NA
PHONE NUMBER: (303) 868-6612		8. WELL NAME and NUMBER: McKenna 2-44
LOCATION OF WELL FOOTAGES AT SURFACE: 209" FSL & 515' FEL		9. API NUMBER: 4303731840
COUNTY: San Juan		10. FIELD AND POOL, OR WILDCAT: Paradox
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 2 29S 24E		STATE: UTAH

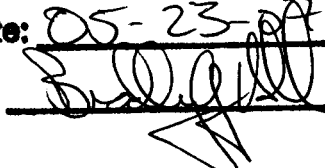
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
] NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
] SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

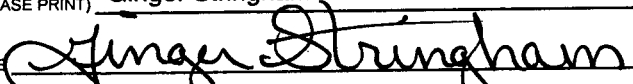
DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Operator respectfully requests to extend approval for the subject location for one year.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 05-23-07
By: 

SENT TO OPERATOR
DATE: 5-24-07
TIME: pm

NAME (PLEASE PRINT) <u>Ginger Stringham</u>	TITLE <u>Agent</u>
SIGNATURE 	DATE <u>5/22/2007</u>

space for State use only)

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MAY 23 2007

DIV. OF OIL, GAS & MINING



**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 4303731840
Well Name: McKenna 2-44
Location: Section 2 Township 29S Range 24E SESE
Company Permit Issued to: Cabot Oil & Gas
Date Original Permit Issued: 5/18/2006

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

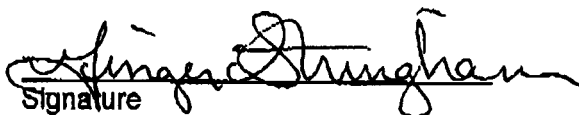
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐


Signature

5/22/2007

Date

Title: Agent

Representing: Cabot Oil & Gas

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MAY 23 2007

DIV. OF OIL, GAS & MINING



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

July 23, 2008

Cabot Oil & Gas
600 17th St. Ste. 900 N
Denver, CO 80202

Re: APD Rescinded – McKenna 2-44 Sec. 2, T.29S, R. 24E
San Juan County, Utah API No. 43-037-31840


Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on May 18, 2006. On May 23, 2007, the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective July 23, 2008.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject locations.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
Brad Hill, Technical Services Manager